

Russel J. Geist (9030)
Joseph J. Powell (8775)
Devon T. Reese (7496)
HUTCHISON & STEFFEN, PLLC
Peccole Professional Park
10080 West Alta Drive, Suite 200
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Attorney for Appellant

Electronically Filed
Feb 11 2022 04:45 p.m.
Elizabeth A. Brown
Clerk of Supreme Court

IN THE SUPREME COURT OF THE STATE OF NEVADA

IN THE MATTER OF THE ESTATE
OF CLIFFORD LAUGHTON,
DECEASED.

ANN RAFAEL-STRAKA,

Appellant,

v.

RICHARD P. SCHULZE,

Respondent.

Supreme Court No: 84084
District Court Case No: PR20-00415

DOCKETING STATEMENT CIVIL APPEALS

GENERAL INFORMATION

Appellants must complete this docketing statement in compliance with NRAP 14(a). The purpose of the docketing statement is to assist the Supreme Court in screening jurisdiction, identifying issues on appeal, assessing presumptive assignment to the Court of Appeals under NRAP 17, scheduling cases for oral argument and settlement conferences, classifying cases for expedited treatment and assignment to the Court of Appeals, and compiling statistical information.

WARNING

This statement must be completed fully, accurately and on time. NRAP 14(c). The Supreme Court may impose sanctions on counsel or appellant if it appears that the information provided is incomplete or inaccurate. *Id.* Failure to fill out the

statement completely or to file it in a timely manner constitutes grounds for the imposition of sanctions, including a fine and/or dismissal of the appeal.

A complete list of the documents that must be attached appears as Question 27 on this docketing statement. Failure to attach all required documents will result in the delay of your appeal and may result in the imposition of sanctions.

This court has noted that when attorneys do not take seriously their obligations under NRAP 14 to complete the docketing statement properly and conscientiously, they waste the valuable judicial resources of this court, making the imposition of sanctions appropriate. *See KDI Sylvan Pools v. Workman*, 107 Nev. 340, 344, 810 P.2d 1217, 1220 (1991). Please use tab dividers to separate any attached documents.

1. Judicial District: Second Judicial District Court, State of Nevada

Department: 15 County: Washoe
Judge: David Hardy District Ct. Docket No. PR20-00415

2. **Attorney filing this docketing statement:**

Attorney: Russel J. Geist Telephone: (702) 385-2500
 Joseph J. Powell
 Devon T. Reese

Firm: Hutchison & Steffen, PLLC

Address: 10080 W. Alta Dr., Suite 200,
 Las Vegas, Nevada 89145

Client(s): Attorney for Appellant, Ann Rafael-Straka

If this is a joint statement by multiple applicants, add the names and addresses of other counsel and the names of their clients on an additional sheet accompanied by a certification that they concur in the filing of this statement.

3. Attorney(s) representing respondent, Richard P. Schulze, Personal Representative of the Estate of Clifford Laughton:

Attorney(s): Robert A. Dotson
Justin C. Vance

Telephone: (775) 501-9400

Firm: DOTSON LAW

Address: 5355 Reno Corporate Dr., Ste. 200
Reno, NV 89511

4. Nature of disposition below (check all that apply):

Judgment after bench trial
Judgment after jury verdict
Summary Judgment
Default Judgment
Dismissal

Grant/Denial of NRCP 60(b) relief
Grant/Denial of Injunction
Grant/Denial of declaratory relief
Review of agency determination
Divorce Decree

Lack of Jurisdiction
Failure to State a Claim
Failure to Prosecute

Original Modification
Other disposition (specify):

XXX Other (specify): Order Upholding Commissioner's Recommendation
for Order to Set Evidentiary Hearing on Motion

5. Does this appeal raise issues concerning any of the following: No.

Child custody (visitation rights only)
Venue
Termination of parental rights

6. Pending and prior proceedings in this court. List the case name and docket number of all appeals or original proceedings presently or previously pending before this court which are related to this appeal:

None.

7. Pending and prior proceedings in other courts. List the case name, number and court of all pending and prior proceedings in other courts which

are related to this appeal (e.g., bankruptcy, consolidated or bifurcated proceedings) and their dates of disposition:

None.

8. **Nature of the action.** Briefly describe the nature of the action and the result below:

The order subject to this appeal arose from Ann Rafael-Straka's ("Ann" or "Appellant") Motion to Revoke Letters Testamentary and to Revoke Probate for Lack of Jurisdiction under NRS 136.010 et seq. which was heard by the probate commissioner who articulated that, due to the doctrines of "law of the case" and "judicial estoppel" against Ann as the proponent of revocation of letters testamentary for lack of jurisdiction, the district court will not revisit whether it has jurisdiction over the Estate. In fact, the district court concurrently issued an Amended Order Terminating Special Administration and Revoking Letters of Special Administration; Admitting Will to Probate; Issuance of Letters Testamentary and for General Administration amending its previous order entered on October 15, 2020 changing the jurisdictional statement recited from "CLIFFORD LAUGHTON died on the 12th day of July 2020, leaving an estate in the County of Washoe, State of Nevada, subject to the jurisdiction of this Court," to "CLIFFORD LAUGHTON died on the 12th day of July 2020, a resident of Washoe County, State of Nevada."

However, the probate commissioner explicitly found, "There is no genuine dispute that Clifford Laughton did not reside in this state. The only other proper basis for jurisdiction, of course, would be if he left property in this state at his death."

This is where the issue is ripe for appeal, since the probate commissioner's recommendation explicitly finds that there has not been presented any credible evidence that Clifford Laughton (the "Decedent") owned any property subject to the district court's jurisdiction in Washoe County or elsewhere in Nevada. In spite of the explicit finding that the Decedent was not a resident in Nevada and owned no property in Nevada subject to the district court's jurisdiction, the probate commissioner specifically found:

Although the Opposition fails to identify any property of the Decedent located within this County, this Court cannot foreclose the possibility that there might be yet unidentified property of the Decedent left in

this county at death. The Court is therefore inclined grant the Personal Representative's request for leave to amend the Petition for Probate, if Ms. Rafael-Straka shows that revisiting this Court's prior finding of jurisdiction is warranted.

In other words, the district court, although recognizing there are no facts supporting jurisdiction, will only reconsider jurisdiction if Ann proves that revisiting such finding "is warranted." This improperly shifts the burden of proof from the proponent of probate of the will and administration in Nevada from Mr. Schulze as the personal representative to Ann.

9. **Issues on appeal.** State concisely the principal issue(s) in this appeal (attach separate sheets as necessary):
 - I. Whether the district court erred by refusing to revoke letters testamentary and refusing to revoke probate of the will after finding that the Decedent was not a resident of Nevada at his death and that the Decedent did not own any property subject to the district court's jurisdiction in Washoe County or elsewhere in Nevada.
 - II. Whether the district court erred in finding and ordering an evidentiary hearing was necessary to adjudicate issues relating to the district court's "application of judicial estoppel and law of the case, specifically relating to the conduct of the Decedent and his counsel, Respondent, Mr. Schulze," which the district court believes could result in a denial of Appellant's Motion to Dismiss, in spite of the district court's finding that the Decedent was not a resident of Nevada at his death and that the Decedent did not own any property subject to the district court's jurisdiction in Washoe County or elsewhere in Nevada.
 - III. Whether the district court erred in shifting the burden of proof of the district court's jurisdiction from Mr. Schulze as the personal representative and proponent of the petition for the court to accept jurisdiction, to Ann as the opponent to jurisdiction, given the statutory criteria for jurisdiction in NRS 136.010(1).

10. **Pending proceedings in this court raising the same or similar issues.** If you are aware of any proceeding presently pending before this court which raises the same or similar issues raised in this appeal, list the case name and docket number and identify the same or similar issues raised:

None

11. **Constitutional issues.** If this appeal challenges the constitutionality of a statute, and the state, any state agency, or any officer or employee thereof is not a party to this appeal, have you notified the clerk of this court and the attorney general in accordance with NRAP 44 and NRS 30.130?

N/A ☒ Yes ☐ No

If not, explain

12. **Other issues.** Does this appeal involve any of the following: No.

Reversal of well-settled Nevada precedent (on an attachment, identify the case(s))

An issue arising under the United States and/or Nevada Constitutions

A substantial issue of first impression

An issue of public policy

An issue where en banc consideration is necessary to maintain uniformity of this court's decisions

A ballot question

If so, explain:

13. **Assignment to the Court of appeals or retention in the Supreme Court.** Briefly set forth whether the matter is presumptively retained by the Supreme Court or assigned to the Court of appeals under NRAP 17, and cite the subparagraph(s) of the Rule under which the matter falls. If appellant believes that the Supreme Court should retain the case despite its presumptive assignment to the Court of Appeals, identify the specific issue(s) or circumstances(s) that warrant retaining the case, and include an explanation of their importance or significance:

This case is presumptively assigned to the Supreme Court pursuant to NRAP 17(b)(14). Corpus of Trust in Excess of \$5,430,000.

14. **Trial.** If this action proceeded to trial, how many days did the trial last?

N/A

Was it a bench or jury trial?

15. **Judicial disqualification.** Do you intend to file a motion to disqualify or have a justice recuse him/herself from participation in this appeal? If so, which Justice? No.

TIMELINESS OF NOTICE OF APPEAL

16. **Date of entry of written judgment or order appealed from:**

1. The district court's Order Upholding Commissioner's Recommendation for Order to Set Evidentiary Hearing on Motion was entered by the district court on August 26, 2021. Appellant filed a timely Motion to Amend Order Upholding Commissioner's Recommendation for Order to Set Evidentiary Hearing on Motion (NRCP 59(e)) on September 21, 2021. The district court's subsequent Order Denying Motion to Amend was entered by the district court on December 14, 2021.

If no written judgment or order was filed in the district court, explain the basis for seeking appellate review:

17. **Date written notice of entry of judgment or order served:**

1. Notice of entry of the district court's Order Denying Motion to Amend was served on December 21, 202, via e-service.

18. **If the time for filing the notice of appeal was tolled by a post-judgment motion (NRCP 50(b), 52 (b), or 59)**

(a) Specify the type of motion, and the date and method of service of the motion, and date of filing.

NRCP 50(b) Date of filing N/A

NRCP 52(b) Date of filing N/A

NRCP 59	Date of filing, service	<u>September 21, 2021</u>
	Method of service	<u>E-Service</u>

Note: Motions made pursuant to NRCP 60 or motions for rehearing or reconsideration may toll the time for filing a notice of appeal. See AA Primo Builders v. Washington, 126 Nev., 245 P.3d 1190 (2010).

(b) Date of entry of written order resolving tolling motion:
December 14, 2021

(c) Date of written notice of entry of order resolving motion served:
December 14, 2021

Was service by delivery _____ or by mail _____.
E-service via the district court's electronic service system

19. **Date notice of appeal was filed:** January 10, 2022.

If more than one party has appealed from the judgment or order, list date each notice of appeal was filed and identify by name the party filing the notice of appeal:

20. **Specify statute or rule governing the time limit for filing the notice of appeal, e.g., NRAP 4(a) or other:**

NRAP 4(a)

SUBSTANTIVE APPEALABILITY

21. **Specify the statute or other authority granting this court jurisdiction to review the judgment or order appealed from:**

NRAP 3A(b)(1) NRS 38.205

NRAP 3A(b)(2) NRS 233B.150

NRAP 3A(b)(3) NRS 703.376

Other (specify) _____

XXX NRS 155.190 (a), (b), (m), (n).

Order is independently appealable.

Explain how each authority provides a basis for appeal from the judgment or order:

Independently appealable Probate order to revoke letters testamentary, refusing to make an order to revoke the probate of a will, in a probate in which the estate exceeds \$10,000.

22. List all parties involved in the action in the district court:

(a) Parties:

1. Richard P. Schulze, Petitioner, personal representative of the Estate.
2. Ann Rafael-Straka, as beneficiary of lifetime gift from Decedent implicated in a petition to apportion estate taxes under NRS 150.290 - 150.390, inclusive, and as creditor of the Estate.

(b) If all parties in the district court are not parties to this appeal, explain in detail why those parties are not involved in this appeal *e.g.*, formally dismissed, not served, or other:

23. Give a brief description (3 to 5 words) of each party's separate claims, counterclaims, crossclaims or third-party claims, and the date of formal disposition of each claim.

Ann Rafael-Straka claims that the Estate is not subject to the jurisdiction of Nevada pursuant to NRS 136.010(1).

Richard P. Schulze denies the claims.

The district court issued its order denying Ann Rafael-Straka's claims on August 26, 2021.

24. **Did the judgment or order appealed from adjudicate ALL the claims alleged below and the rights and liabilities of ALL the parties to the action or consolidated actions below:**

Yes _____ No X

25. **If you answered “No” to question 24, complete the following:**

(a) Specify the claims remaining pending below:
The case is an ongoing probate administration case.

(b) Specify the parties remaining below:
Ann Rafael-Straka, Appellant
Richard P. Schulze, Respondent

(c) Did the district court certify the judgment or order appealed from as a final judgment pursuant to NRCP 54(b):

Yes _____ No X

(d) Did the district court make an express determination, pursuant to NRCP 54(b), that there is no just reason for delay and an express direction for the entry of judgment:

Yes _____ No X

26. **If you answered “No” to any part of question 25, explain the basis for seeking appellate review (e.g., order is independently appealable under NRAP 3A(b)):**

(n). Order is independently appealable under NRS 155.190 (a), (b), (m),

27. **Attach file-stamped copies of the following documents:**

- The latest-filed complaint, counterclaims, cross-claims, and third-party claims
- Any tolling motion(s) and order(s) resolving tolling motion(s)

- Orders of NRCP 41(a) dismissals formally resolving each claim, counterclaims, crossclaims and/or third-party claims asserted in the action or consolidated action below, even if not at issue on appeal
- Any other order challenged on appeal
- Notices of entry for each attached order

VERIFICATION

I declare under penalty of perjury that I have read this docketing statement, that the information provided in this docketing statement is true and complete to the best of my knowledge, information and belief, and that I have attached all required documents to this docketing statement.

Name of Appellant: Ann Rafael-Straka

Name of counsel of record: Russel J. Geist

Date: 02/04/2022

/s/ *Russel J. Geist*

Signature of counsel of record

Clark County, Nevada

State and county where signed

CERTIFICATE OF SERVICE

I certify that I am an employee of HUTCHISON & STEFFEN, PLLC and that on this date the **DOCKETING STATEMENT CIVIL APPEALS** was filed electronically with the Clerk of the Nevada Supreme Court, and therefore electronic service was made in accordance with the master service list as follows:

Robert A. Dotson, Esq.
Justin C. Vance, Esq.
DOTSON LAW
5355 Reno Corporate Dr., Ste. 200
Reno, NV 89511

Attorney for Respondent

A copy was served via U.S. Mail to the below:

David Wasick
P.O. Box 568
Glenbrook, NV 89413

Settlement Judge

DATED this ____ day of February, 2022.

/s/

An employee of Hutchison & Steffen, PLLC

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EXHIBIT PAGE ONLY

EXHIBIT 5

HUTCHISON & STEFFEN
A PROFESSIONAL LLC

Document Code 1670
Richard P. Schulze, Esq. #5767
Schulze Law Group, PC
140 W Huffaker Ln., Ste 510
Reno, NV 89511
Telephone: (775) 853-5700
Facsimile: (775) 853-5588
Attorney for SPECIAL ADMINISTRATOR

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR THE COUNTY OF WASHOE, STATE OF NEVADA

* * * * *

IN THE MATTER OF THE ESTATE)	
)	
OF)	Case No.
)	
CLIFFORD LAUGHTON,)	Dept No. PR
)	
Deceased.)	
)	
)	

EX PARTE MOTION FOR APPOINTMENT OF SPECIAL ADMINISTRATOR

Comes now, RICHARD P. SCHULZE to request this court to appoint him Special Administrator of the Estate of Clifford Laughton and in support thereof offers the following:

Qualifications

1. Petitioner, whose mailing address is 140 W Huffaker Ln., Ste 510, Reno, Nevada, is the named Personal Representative under the will of Clifford Laughton, has not been convicted of a felony and is otherwise qualified to act as Special Administrator pursuant to Section 138.010 of the Nevada Revised Statutes and as Administrator pursuant to NRS 139.010. Petitioner's physical address is 1764 Bliss Court, Carson City, Nevada.

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1 7. In addition to the powers granted under NRS 140.040, Petitioner requests that the
2 Special Administrator be granted the authority to dispose of the decedent's remains in
3 accordance with the oral and written instructions provided by the decedent. The Special
4 Administrator also requests authority to utilize the liquid assets of the decedent to pay for the
5 disposition of the decedent's remains. The decedent prepaid for his funeral in his hometown of
6 Chicago, Illinois but failed to pay for transportation of his remains from his place of death to his
7 chosen cemetery and funeral home. If petitioner is appointed as Special Administrator and if
8 there are sufficient funds available from the decedent's accounts, petitioner intends to follow the
9 directions contained in Exhibit 2. Petitioner also asks for authority to pay any of the decedent's
10 bills which may be immediately due, including but not limited to, payment of taxes, insurance
11 and other costs related to the maintenance of the decedent's real property in the State of Hawaii.
12

13
14 7. This is an appropriate case for the appointment of a Special Administrator under
15 NRS 140.010. Failure to appoint the Special Administrators with the powers requested
16 hereunder will result in a significant loss to the estate due to the actual and threatened loss of the
17 decedent's personal property. Furthermore, there is a need to inventory the decedent's financial
18 accounts to determine actual title and beneficiary designation (if any) on such accounts and,
19 consequently, if a probate shall be required.
20

21 Heirs, Next-of-Kin, Devisees and Legatees

22 8. The decedent, Clifford Laughton, has three living children. He knowingly and
23 intentionally disinherited his children as heirs under his will and living trust.
24

25 9. The names and addresses of the decedent's known heirs, devisees and legatees
26 are:

27 Jeffrey Michael Lang
28 1052 Evergreen Street
 Mundelein, IL 60060

1 Scott Allen Lang
2 6W. Fabish Drive
3 Buffalo Grove, IL 60089

4 Mitchell August Lang
5 1814 Stoddard Avenue
6 Wheaton, IL 60187

7 Laughton Living Trust, dated February 13, 2020
8 Richard P. Schulze, Esq. – Trustee
9 Anne Rafeal-Straka - Trustee
10 Richard Caifano, Esq. - Trustee
11 140 West Huffaker Lane, Suite 510
12 Reno, NV 89511

13 Request for Waiver of Bond

14 9. Petitioner requests that he serve without bond. Section 5.02 of the decedent's last
15 will and testament provides that petitioner shall serve as personal representative of the estate
16 without being required to provide a bond.

17 Notice / Request for Ex Parte Entry of Order

18 10. Pursuant to NRS 140.020 Petitioner requests this court to enter its order
19 appointing him as Special Administrator on an Ex Parte basis without requirement of prior notice
20 to any person or entity.

21 11. Requiring Petitioner to provide notice and / or requiring a hearing on this matter
22 will result in substantial and irreparable loss to the estate due to the loss of the decedent's
23 personal property, determine the need to probate any assets held in the decedent's sole name and
24 unnecessarily delay arranging for disposition of the decedent's remains.

25 //

26
27 //
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1 WHEREFORE, your Petitioner prays that this court enter an Ex Parte Order appointing him as
2 Special Administrator of the Estate of Clifford Laughton with the powers granted under NRS
3 140.040, authority to access the decedent's accounts and other assets to determine the value of
4 such accounts and assets, the formal title in which the accounts and assets are held and to
5 determine the value of the accounts and assets; and authority to access the decedent's checking
6 and savings accounts to pay any outstanding bills to the extent there are sufficient liquid assets
7 and the power and authority to arrange for the disposition of the decedent's remains.
8

9
10 **THE UNDERSIGNED AFFIRMS THAT THIS DOCUMENT DOES NOT CONTAIN**
11 **THE SOCIAL SECURITY NUMBER OF ANY PERSON.**
12

13 


14 Richard P. Schulze, Petitioner
15

16 /s/RICHARD P. SCHULZE
17 RICHARD P. SCHULZE, ESQ
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1 STATE OF NEVADA)
2 : ss.
3 COUNTY OF WASHOE)

4 Richard P. Schulze, being first duly sworn, deposes and says:

5 That he is the Petitioner in the above-entitled matter; that he has read the foregoing
6 PETITION FOR APPOINTMENT OF SPECIAL ADMINISTRATOR and knows the contents
7 thereof and the same is true of his own knowledge, except as to those matters therein stated on
8 information and belief, and as to those matters, he believes them to be true.
9

10
11 
12 Richard P. Schulze, Petitioner

13 SUBSCRIBED and SWORN to before me this 4th day of August, 2020.

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15 NOTARY PUBLIC
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EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>	<u>No. of Pages</u>
1	Statement of Death	5
2	Last Will & Testament	8

FILED
Electronically
PR20-00415
2020-08-04 03:10:48 PM
Jacqueline Bryant
Clerk of the Court
Transaction # 8003121 : yvilorla

EXHIBIT "1"

EUGENE M. C. LEE, M.D.

Internal Medicine/Pediatrics
Kuakini Medical Plaza
321 N. Kuakini St., Suite 305
Honolulu, Hawaii 96817
(808) 523-5688 Fax: (808) 523-0030

08/03/2020

Estate of Clifford Laughton
Ann Rafael-Straka, Trustee

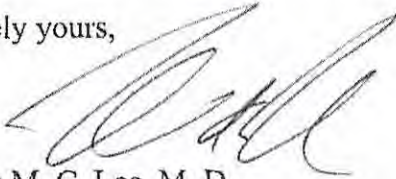
To Whom It May Concern:

This letter is to verify that my patient Clifford Laughton (DoB: 11/26/1943), passed away on July 13, 2020 at 10:30. Dr. Baron Wong pronounced death of Mr. Laughton at Island Hospice Home at 2449 10th Avenue, Honolulu, Hawaii 96816.

Please find the enclosed final note from Dr. Baron Wong for Mr. Laughton.

Your prompt attention to this matter will be greatly appreciated. If you have any further questions, please feel free to call my office at 523-5688. Thank you.

Sincerely yours,

A handwritten signature in black ink, appearing to be 'EML', written over a horizontal line.

Eugene M. C. Lee, M. D.

Patient Documents for Laughton, Clifford

MRN ISLA34047

DOB 11/26/1943

Consolo Unique Patient ID 670242

Patient Home Address 2449 10th Avenue Honolulu, HI 96816

Facility Address 2449 10th Ave Honolulu, HI 96816-3051

Facility Phone 8087372775

From: Claudia Fristoe >

Local time: 08/03/2020 14:04 CDT

Agency: Umbrella

320 Mililani St Ste 400 Honolulu, HI 96813-2906

Phone 8085502552

Fax 8085502551

To: Lee, Eugene

Additional Instructions:

Attn: Carly

IMPORTANT: This facsimile transmission contains confidential information, some or all of which may be protected health information as defined by the federal Health Insurance Portability & Accountability Act (HIPAA) Privacy Rule. This transmission is intended for the exclusive use of the individual or entity to whom it is addressed and may contain information that is proprietary, privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient (or an employee or agent responsible for delivering this facsimile transmission to the intended recipient), you are hereby notified that any disclosure, dissemination, distribution or copying of this information is strictly prohibited and may be subject to legal restriction or sanction. Please notify the sender by telephone number listed above) to arrange the return or destruction of the information and all copies.

Consolo Clinical Chart for LAUxC at Office Islands Hospice Inc

Patient Details for Laughton, Clifford (Patient ID 670242, MRN ISLA34047)

Date Of Birth	11/26/1943	Status	Deceased
---------------	------------	--------	----------

General Clinical Chart Details

Effective Date	Discipline	Chart Owner	Encounter Type
07/13/2020	Skilled Nurse	Kuo, Mike (mkuo@islandshospice.com)	IH DV*
Created By			
Kuo, Mike (mkuo@islandshospice.com)			

Patient Time

Time In	Time Out	Mileage
07/13/2020 22:31 HST	07/13/2020 23:00 HST	0.0

Bereavement Assessment

Other Family

Other Significant Family Members
Pt spouse Jackie

How will the bereaved cope?

Fair, probably will get by without special help (having a difficult time at this time)

Comments

Pt spouse will need some help through bereavement services.

Care Plan Problem Update

Care Plan Problem	Goal
Post Mortem Plan of Care	Mr Laughton will be well-groomed, family will be educated on bereavement process follow up

Console Clinical Chart for LAUxC at Office Islands Hospice Inc

Care Plan Problem Interventions

Name	Due Date	Action Performed?	Outcome	P/F Engagement	Resolved?	Comments
After assessment of lack of VS, notify AOR re TOD for pronouncement		Yes	Completed	Engaged	Yes	
Assess for any religious needs/concerns; Offer SCP visit		Yes	Completed	Engaged	Yes	
Cleanse body and dress in clothing of choice (welcome family to assist with this if they would like)		Yes	Completed	Engaged	Yes	
Confirm mortuary with family/POA/CG and contact mortuary for pick up within 4 hours		Yes	Completed	Engaged	Yes	
Document concerns or issues that are noted that may need assistance with at a later time		Yes	Completed	Engaged	Yes	
Explain Bereavement Program; Bereavement coordinator will be contacting POC to offer support, answer questions and guide through next steps		Yes	Completed	Engaged	Yes	
Offered active listening and compassionate support to family/friends that are present		Yes	Completed	Engaged	Yes	
Provide Privacy		Yes	Completed	Engaged	Yes	
Safely dispose of unused opioids: Educated CG/Family to empty in to a diaper (provided) and saturate with liquid empty in trash can		Yes	Completed	Engaged	Yes	

Care Plan Problem Update

Effective Date

07/13/2020

Created ByKuo, Mike
(mkuo@islandshospice.com)Outcome

Completed

Patient / Family Engagement

Engaged

Resolved

Yes

Comments

post mortem care done by staff.

Inpatient Unit Note

Console Clinical Chart for LAUxC at Office Islands Hospice Inc

Activity

Other

Notes

Bereavement Assessment: Pt spouse will need some help through bereavement services.

Nursing Summary: Name: Clifford Laughton, DOB: 11/26/1943, , Dx: J96.11 - Chronic respiratory failure with hypoxia, 2nd: R13.10 -

Dysphagia, unspecified, Tertiary: J69.0 - Pneumonitis due to inhalation of food and vomit, , Notified of death by: RN Mike, ,

Assessment upon arrival: No apical pulse for 1 minute, , Date and time of death: 7/13/2020 at 2230, , Physician notified for

pronouncement of death: Dr Baron Wong, , Physician who will sign death certificate: Dr. Baron Wong, , Post mortem care provided by:

CNA Addie and this RN, , Mortuary confirmation: Nuuanu Mortuary, wants immediate pickup. Appreciative of Islands Hospice

services., , Grief assessment and bereavement : Pt spouse Jackie grieving heavily (crying a lot on the phone), does not wish to come

to IPU to view patient one last time, she will need bereavement follow up services., , Location: Islands Hospice Home Rm 1, , DME:

Patient used IPU DMEs.

Rationale Notes

Pt passed, RN doing DV note. Was GIP level of care for unmanaged pain.

Nursing Summary

Nursing Summary Notes

Visit Notes/Ongoing Comprehensive Assessment

Name: Clifford Laughton

DOB: 11/26/1943

Dx: J96.11 - Chronic respiratory failure with hypoxia

2nd: R13.10 - Dysphagia, unspecified

Tertiary: J69.0 - Pneumonitis due to inhalation of food and vomit

Notified of death by: RN Mike

Assessment upon arrival: No apical pulse for 1 minute

Date and time of death: 7/13/2020 at 2230

Physician notified for pronouncement of death: Dr Baron Wong

Physician who will sign death certificate: Dr. Baron Wong

Post mortem care provided by: CNA Addie and this RN

Mortuary confirmation: Nuuanu Mortuary, wants immediate pickup. Appreciative of Islands Hospice services.

Grief assessment and bereavement : Pt spouse Jackie grieving heavily (crying a lot on the phone), does not wish to come to IPU to view patient one last time, she will need bereavement follow up services.

Location: Islands Hospice Home Rm 1

DME: Patient used IPU DMEs.

Signatures

1. Skilled Nurse Kuo, Mike (User) signed on 07/14/2020. Recorded by mkuo0 on 07/14/2020 06:37:03.

Signature: _____

Date: _____

EXHIBIT "2"

Last Will and Testament of Clifford Laughton

I, Clifford Laughton, a resident of Washoe County, Nevada, revoke any prior wills and codicils made by me and declare this to be my Last Will and Testament.

Article One Family Information

I am unmarried.

I have three children. They are:

Jeffrey M. Lang;
Scott A. Lang; and
Mitchell A. Lang

All references in my Will to "my children" are references to these children.

However, I am specifically disinheriting Jeffrey, Scott and Mitchell. Therefore, for the purposes of my Will, Jeffrey, Scott and Mitchell will be deemed to have predeceased me.

Article Two Distribution of My Property

Section 2.01 Disposition of Tangible Personal Property

I direct that my Personal Representative distribute my tangible personal possessions according to a separate "Personal Property Memorandum" or other similar writing signed by me and kept with my personal records. It is my intent that the writing qualifies to distribute my tangible personal possessions under applicable state law. If the writing is not found at the time of my death, or is ruled an improper disposition, this bequest will lapse and my tangible personal possessions will become part of my living trust. If any items of tangible personal property I happen to own are not mentioned in the writing, those items will become part of my living trust. If any gift of tangible personal property lapses, then the items comprising the lapsed gift will become part of my living trust.

Section 2.02 Pour-Over to My Living Trust

I give all of my probate estate, excluding any property over which I have a power of appointment, after payment of expenses and taxes that are paid under this Will, to the

OR

CH OR

then-acting Trustee of the Laughton Living Trust dated January 10, 2012 and executed before this Will, to be added to the property of that trust. I direct that the Trustee administer the property as provided in the trust agreement and any amendments prior to my death.

Section 2.03 Alternate Disposition

If the trust referred to in Section 2.02 is not in effect at my death, or if for any other reason the pour-over cannot be accomplished, I specifically and completely incorporate the terms of the trust into this Will by reference. I direct my Personal Representative to then establish a trust in accordance with the provisions of that trust and distribute the remainder of my estate, excluding any property over which I have a power of appointment, to the Trustee of that trust to be administered as provided in the trust agreement.

Article Three Designation and Succession of Fiduciaries

Section 3.01 Personal Representative

I nominate Richard P. Schulze as my Personal Representative. If Richard P. Schulze fails or ceases to act as my Personal Representative, I nominate Ann R. Butay as my successor Personal Representative.

Article Four Powers of Fiduciaries

Section 4.01 Grant of Powers

My Personal Representative may perform every act reasonably necessary to administer my estate and any trust established under my Will. In addition to this general grant of powers, my Personal Representative is specifically authorized to:

Hold, retain, invest, reinvest, sell, and manage any real or personal property, including interests in any form of business entity including, but not limited to, limited partnerships and limited liability companies, and policies of life, health and disability insurance, without diversification as to kind, amount or risk of non-productivity and without limitation by statute or rule of law;

Partition, sell, exchange, grant, convey, deliver, assign, transfer, lease, option, mortgage, pledge, abandon, borrow, loan, and contract;

CR

CR DBD

Distribute assets of my estate in cash or in kind, or partly in each at fair market value on the date of distribution, without requiring *pro rata* distribution of specific assets and without requiring *pro rata* allocation of the tax bases of such assets;

Hold any interest in nominee form, continue businesses, carry out agreements, and deal with itself, other fiduciaries, and business organizations in which my Personal Representative may have an interest;

Establish reserves, release powers, and abandon, settle or contest claims; and

Employ attorneys, accountants, custodians for trust assets, and other agents or assistants as my Personal Representative deems advisable to act with or without discretionary powers and compensate them and pay their expenses from income or principal.

Section 4.02 Powers Granted by State Law

In addition to all of the above powers, my Personal Representative may, without prior authority from any court, exercise all powers conferred by my Will, by common law, or by Nevada Revised Statutes Chapter 143 or other statute of the State of Nevada or any other jurisdiction whose law applies to my Will. My Personal Representative has absolute discretion in exercising these powers. Except as specifically limited by my Will, these powers extend to all property held by my fiduciaries until the actual distribution of the property.

Section 4.03 Distribution Alternatives

My Personal Representative may make any payments under my Will:

Directly to a beneficiary;

In any form allowed by applicable state law for gifts or transfers to minors or persons under disability;

To a beneficiary's guardian, conservator, or caregiver for the benefit of the beneficiary; or

By direct payment of the beneficiary's expenses.

A receipt by the recipient for any distribution will fully discharge my Personal Representative, if the distribution is made in a manner consistent with the proper exercise of my Personal Representative's duties under my Will.

CR

CH MD

Article Five

Administrative Provisions

Section 5.01 Court Proceedings

If any trust is established under my Will, that trust will be administered in a timely and efficient manner consistent with its terms, free of active judicial intervention and without order, approval, or other action by any court. It will be subject only to the jurisdiction of a court being invoked by the Trustees or by other interested parties, or as otherwise provided by law.

Section 5.02 No Bond

I direct that no Personal Representative be required to give any bond in any jurisdiction. Notwithstanding this direction, if a bond is required by law or by court determination, no sureties will be required on the bond.

Section 5.03 Compensation and Reimbursement

Any fiduciary serving under my Will is entitled to reasonable compensation commensurate with services actually performed. In addition, any fiduciary serving under my Will is entitled to reimbursement for expenses properly incurred.

Section 5.04 Ancillary Fiduciary

If any ancillary administration is required or desired and my domiciliary Personal Representative is unable or unwilling to act as an ancillary fiduciary, my domiciliary Personal Representative may have power to designate, compensate, direct, and remove an ancillary fiduciary. The ancillary fiduciary may either be a natural person or a corporation. My domiciliary Personal Representative may delegate to the ancillary fiduciary any powers granted to my domiciliary Personal Representative as my domiciliary Personal Representative deems to be proper, including the right to serve without bond or without surety on bond. The net proceeds of the ancillary estate will be paid over to the domiciliary Personal Representative.

Article Six

Taxes, Claims and Expenses

Section 6.01 Payment of Death Taxes, Claims and Expenses

The Trustee of the trust referred to in this Will is authorized to pay expenses incurred for my funeral and for the disposition of my remains, claims against my estate, and expenses of estate administration. Accordingly, I direct my Personal Representative to consult with the Trustee to determine which expenses and claims should be paid by my personal representative from property passing under my Will, and which expenses and claims should be paid by the Trustee from the trust.

CR

CW ADD

I direct my Personal Representative to follow any instructions contained in the Laughton Living Trust in making any tax elections, including, but not limited to, the allocation of my GST Exemption. My Personal Representative will suffer no liability for making or failing to make any tax election in good faith to any person, including any person not yet in being, whose interest may have been affected by my Personal Representative making or failing to make the tax election.

Any taxes imposed by reason of my death on property passing under and outside my Will are to be apportioned and paid in the manner provided in the Laughton Living Trust, and I incorporate the tax apportionment provisions of the Laughton Living Trust as part of my Will.

In no event may any death taxes be allocated to or paid from property that is not included in my gross estate for federal estate tax purposes or which qualifies for the federal estate tax charitable deduction.

Section 6.02 Tax and Administrative Elections

My Personal Representative may exercise any available elections under any applicable income, inheritance, estate, succession, or gift tax law. This authority includes the power to select any alternate valuation date for death tax purposes and the power to determine whether any administration expenses of my estate are to be used as estate tax deductions or as income tax deductions. No compensating adjustments are required between income and principal as a result of those determinations unless my Personal Representative determines otherwise, or unless required by law.

My Personal Representative is not liable to any beneficiary of my estate for tax consequences that arise as a result of the exercise or nonexercise of any tax elections or for decisions made concerning the allocation and distribution of property in kind in full or partial satisfaction of any beneficiary's interest in my estate.

My Personal Representative, in his or her sole and absolute discretion, may make any adjustments to the basis of my assets authorized by law, including but not limited to increasing the basis of any property included in my gross estate, whether or not passing under my Will, by allocating any amount by which the basis of my assets may be increased. My Personal Representative is not required to allocate basis increase exclusively, primarily or at all to assets passing under my Will as opposed to other property included in my gross estate. My Personal Representative may elect, in his or her sole and absolute discretion, to allocate basis increase to one or more assets that my Personal Representative receives or in which my Personal Representative has a personal interest, to the partial or total exclusion of other assets with respect to which such allocation could be made. My Personal Representative may not be held liable to any person for the exercise of his or her discretion under this Section.

CR

CR CR

Article Seven General Provisions

Section 7.01 Adopted and Afterborn Persons

A legally adopted person in any generation and his or her descendants, including adopted descendants, has the same rights and will be treated in the same manner under this agreement as natural children of the adopting parent, provided such person is legally adopted prior to attaining the age of 18 years. A person is deemed to be legally adopted if the adoption was legal in the jurisdiction in which it occurred at the time that it occurred.

A fetus *in utero* that is later born alive will be considered a person in being during the period of gestation.

Section 7.02 Applicable Law

The validity and construction of my Will shall be determined by the laws of Nevada.

Section 7.03 No Contract to Make Will

I have not entered into any contract, actual or implied, to make a Will.

Section 7.04 Contest Provision

If any beneficiary of my Will or any trust created under my Will, alone or in conjunction with any other person engages in any of the following actions, the right of the beneficiary to take any interest given to the beneficiary under my Will or any trust created under my Will will be determined as it would have been determined as if the beneficiary predeceased me without leaving any surviving descendants.

Contests by a claim of undue influence, fraud, menace, duress, or lack of testamentary capacity, or otherwise objects in any court to the validity of (a) my Will, (b) any trust created under the terms of my Will, or (c) any beneficiary designation of an annuity, retirement plan, IRA, Keogh, pension or profit sharing plan or insurance policy signed by me, (collectively referred to hereafter in this Section as "Document" or "Documents") or any amendments or codicils to any Document;

Seeks to obtain an adjudication in any court proceeding that a Document or any of its provisions is void, or otherwise seeks to void, nullify or set aside a Document or any of its provisions;

Files suit on a creditor's claim filed in a probate of my estate, against my estate, or any other Document, after rejection or lack of action by the respective fiduciary;

Files a petition or other pleading to change the character (community, separate, joint tenancy, partnership, domestic partnership, real or personal, tangible or intangible) of property already so characterized by a Document;

CR

CR CR

Files a petition to impose a constructive trust or resulting trust on any assets of my estates; or

Participates in any of the above actions in a manner adverse to my estate, such as conspiring with or assisting any person who takes any of the above actions.

My Personal Representative may defend, at the expense of my estate, any violation of this Section. A "contest" includes any action described above in an arbitration proceeding, but does not include any action described above solely in a mediation not preceded by a filing of a contest with a court.

Section 7.05 Construction

Unless the context requires otherwise, words denoting the singular may be construed as denoting the plural, and words indicating the plural may be construed as denoting the singular. Words of one gender may be construed as denoting another gender, as context requires.

Section 7.06 Headings and Titles

The headings and paragraph titles are for reference only.

Section 7.07 Internal Revenue Code, IRC or Code

References to the Internal Revenue Code, the IRC or the "Code" refer to the Internal Revenue Code of the United States. References to specific sections of the Code apply to any sections of like or similar import that replace the specific sections as a result of changes to the Internal Revenue Code made after the date of my Will.

Section 7.08 Other Definitions

Except as otherwise provided in my Will, terms will be interpreted as defined in Nevada Revised Statutes Title Twelve as amended after the date of my Will and after my death.

Section 7.09 Survivorship

For purposes of this Will, any beneficiary will be deemed to have predeceased me if the beneficiary dies within 180 days after the date of my death.

Section 7.10 Severability

If any part of this instrument is determined to be void or invalid, the remaining provisions will remain in full force and effect.

CR

CR CR

I, Clifford Laughton, sign my name to this instrument consisting of 8 pages on January 10, 2012 and being first duly sworn, do hereby declare to the undersigned authority that I sign and execute this instrument as my Last Will and Testament, that I sign it willingly, that I execute it as my free and voluntary act for the purposes therein expressed, and that I am eighteen years of age or older, of sound mind, and under no constraint or undue influence.

Clifford Laughton
Clifford Laughton, Testator

STATE OF NEVADA

COUNTY OF WASHOE

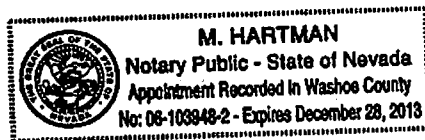
Then and there personally appeared the within-named Carole Duncan and Amaya B. Anderson, who, being duly sworn, depose and say under the penalty of perjury: That they witnessed the execution of the within Will of the within-named Testator, Clifford Laughton, that the Testator subscribed the Will and declared the same to be his Last Will and Testament in their presence; that they thereafter subscribed their names as witnesses in the presence of the Testator and in the presence of each other and at the request of the Testator; that the Testator at the time of the execution of the Will appeared to them to be of full age and of sound mind and memory, and that they make this affidavit at the request of the Testator.

Carole Duncan
Carole Duncan, Witness
140 West Huffaker Lane, Suite 510
Reno, Nevada 89511

Amaya B. Anderson
Amaya B. Anderson, Witness
140 West Huffaker Lane, Suite 510
Reno, Nevada 89511

Subscribed and sworn to before me this 10th day of January, 2012.

M. Hartman
Notary Public



CR

CW AM

INTENTIONALLY LEFT BLANK
EXHIBIT PAGE ONLY

EXHIBIT 6

HUTCHISON & STEFFEN
A PROFESSIONAL LLC

Document Code \$3573
Richard P. Schulze, Esq. #5767
Schulze Law Group, PC
140 W Huffaker Ln., Ste 510
Reno, NV 89511
Telephone: (775) 853-5700
Facsimile: (775) 853-5588

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR THE COUNTY OF WASHOE, STATE OF NEVADA

* * * * *

IN THE MATTER OF THE ESTATE
OF
CLIFFORD LAUGHTON,
Deceased.

Case No. PR20-00415
Dept No. PR

**REPORT OF SPECIAL ADMINISTRATOR; REQUEST TO TERMINATE SPECIAL
ADMINISTRATION AND REVOCATION OF LETTERS OF SPECIAL
ADMINISTRATION; PETITION FOR ADMISSION OF WILL TO PROBATE;
ISSUANCE OF LETTERS TESTAMENTARY; AND FOR GENERAL
ADMINISTRATION OF ESTATE**

The Petition of RICHARD P. SCHULZE, respectfully shows to the Court:

Report of Special Administrator

1. On August 7, 2020, this court entered its order appointing Petitioner as Special Administrator of the Estate of Clifford Laughton. Letters of Special Administration we duly issued.

2. Petitioner then began an effort to identify and value the assets owned by the decedent which may be subject to probate proceedings in this State or any other State. In the course of that investigation, it became clear that the decedent owned assets in excess of \$1 million in his sole and that many of these assets were owned in foreign countries. The custodian

1 of the assets located in such foreign countries will not respond to requests for information absent
2 the admission of the decedent's will to probate and duly issued Letters Testamentary identifying
3 the personal representative of the estate.

4 3. Given the stated purpose and need for the appointment of a special administrator
5 is now not needed, it is requested that the Letters of Special Administration be revoked and that
6 an inventory and additional report of Special Administrator be waived.
7

8
9 Qualification of Petitioner

10 4. Petitioner, whose mailing address is 140 W Huffaker Ln., Ste 510, Reno, Nevada,
11 is the named Personal Representative under the will of Clifford Laughton, has not been
12 convicted of a felony and is otherwise qualified to act as Special Administrator pursuant to
13 Section 138.010 of the Nevada Revised Statutes and as Administrator pursuant to NRS 139.010.
14 Petitioner's physical address is 1764 Bliss Court, Carson City, Nevada.
15
16

17 Jurisdiction

18 5. CLIFFORD LAUGHTON, whose address is 18124 Wedge Pkwy, Reno, NV
19 89511, died on or about the 13th day of July 2020, in Honolulu, Hawaii and at the time of his
20 death was a resident of the County of Washoe, State of Nevada, and a citizen of the United States
21 of America. Attached hereto as **Exhibit 1** is a statement from Dr. Eugene M.C. Lee and a
22 Certificate of Patient Expiration Data stating the date of Mr. Laughton's death as well as the
23 cause of death. Because of the Corona Virus pandemic, it will take 4 to 8 weeks to obtain a
24 death certificate.
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1
2 Will and Codicil

3 6. Attached hereto as **Exhibit 2** (having been formally lodged with this court
4 previously) is a true and correct copy of the Last Will and Testament of Clifford Laughton.

5 7. On or about February 13, 2013, Clifford Laughton executed an amendment to and
6 complete restatement of the Laughton Living Trust dated January 10, 2012 (the "trust"). The
7 trust is the sole beneficiary of decedent's estate and is being administered in accordance with its
8 terms and the applicable provisions of Nevada law.
9

10 Describing the Estate

11 8. That Petitioner is informed and believes that said Decedent's estate is subject to
12 probate administration in the State of Nevada and left certain property of which the estimated
13 value is expected to exceed \$500,000.00, and which said property will be specifically described,
14 specified and valued in an Inventory and Record of Value to be filed herein. The liquid assets in
15 this estate are unknown at that time but are believed to be less than \$50,000.
16

17 Heirs, Next-of-Kin, Devisees and Legatees

18 9. The decedent, Clifford Laughton, has three living children. He knowingly and
19 intentionally disinherited his children as heirs under his will and living trust. The names and
20 addresses of the decedent's known heirs, devisees and legatees are:
21

22 Jeffrey Michael Lang
23 1052 Evergreen Street
24 Mundelein, IL 60060

25 Scott Allen Lang
26 6W. Fabish Drive
27 Buffalo Grove, IL 60089

28 Mitchell August Lang
1814 Stoddard Avenue
Wheaton, IL 60187

1 Laughton Living Trust, dated February 13, 2020
2 Richard P. Schulze, Esq. – Trustee
3 Ann Rafael-Straka - Trustee
4 Richard Caifano, Esq. - Trustee
5 140 West Huffaker Lane, Suite 510
6 Reno, NV 89511

7 Petitioner's Bond

8 10. Petitioner requests that he serve without bond. Section 5.02 of the decedent's last
9 will and testament provides that petitioner shall serve as personal representative of the estate
10 without being required to provide a bond.

11 Sale of Stocks and Bonds

12 11. In the present case, there are no stocks or bonds, to the best of the Petitioner's
13 knowledge.

14 No Other Petition Filed

15 12. That no Petition for Letters Testamentary or Letters of Administration have been
16 filed by any other person.

17
18 //

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1 WHEREFORE, your Petitioner prays that after hearing in accordance with law:

2 A. That the Will of Clifford Laughton be admitted to probate; and,

3 B. Letters Testamentary be issued to Richard P. Schulze, and that General
4 Administration be ordered; and,

5 C. That Petitioner serve without bond; and,

6 D. That for such other and further relief as to the Court seems proper.

7
8 DATED this 2ND day of September, 2020.

9
10 **THE UNDERSIGNED AFFIRMS THAT THIS DOCUMENT DOES NOT CONTAIN**
11 **THE SOCIAL SECURITY NUMBER OF ANY PERSON.**

12
13 

14 _____
15 Richard P. Schulze, Petitioner

16 /s/RICHARD P. SCHULZE
17 RICHARD P. SCHULZE, ESQ

1 STATE OF NEVADA)
 : ss.
2 COUNTY OF WASHOE)

3
4 Richard P. Schulze, being first duly sworn, deposes and says:

5 That he is the Petitioner in the above-entitled matter; that he has read the foregoing
6 PETITION FOR ADMISSION OF WILL TO PROBATE LETTERS TESTAMENTARY AND
7 GENERAL ADMINISTRATION and knows the contents thereof and the same is true of his own
8 knowledge, except as to those matters therein stated on information and belief, and as to those
9 matters, he believes them to be true.
10

11
12 
13 RICHARD P. SCHULZE, Petitioner

14 SUBSCRIBED and SWORN to before me this 2nd day of September 2020.

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16 
17 NOTARY PUBLIC



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EXHIBIT INDEX

Exhibit No.	Description	No. of Pages
1	Statement of Death	6
2	Last Will & Testament of Clifford Laughton	9

FILED
Electronically
PR20-00415
2020-09-02 11:01:25 AM
Jacqueline Bryant
Clerk of the Court
Transaction # 8049374 : bblough

EXHIBIT "1"

EUGENE M. C. LEE, M.D.

Internal Medicine/Pediatrics
Kuakini Medical Plaza
321 N. Kuakini St., Suite 305
Honolulu, Hawaii 96817
(808) 523-5688 Fax: (808) 523-0030

08/03/2020

Estate of Clifford Laughton
Ann Rafael-Straka, Trustee

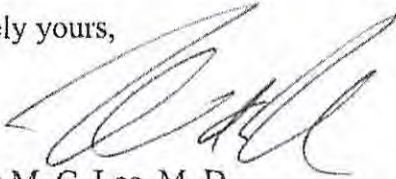
To Whom It May Concern:

This letter is to verify that my patient Clifford Laughton (DoB: 11/26/1943), passed away on July 13, 2020 at 10:30. Dr. Baron Wong pronounced death of Mr. Laughton at Island Hospice Home at 2449 10th Avenue, Honolulu, Hawaii 96816.

Please find the enclosed final note from Dr. Baron Wong for Mr. Laughton.

Your prompt attention to this matter will be greatly appreciated. If you have any further questions, please feel free to call my office at 523-5688. Thank you.

Sincerely yours,

A handwritten signature in black ink, appearing to be 'EML', written over a horizontal line.

Eugene M. C. Lee, M. D.

Patient Documents for Laughton, Clifford

MRN ISLA34047

DOB 11/26/1943

Consolo Unique Patient ID 670242

Patient Home Address 2449 10th Avenue Honolulu, HI 96816

Facility Address 2449 10th Ave Honolulu, HI 96816-3051

Facility Phone 8087372775

From: Claudia Fristoe >

Local time: 08/03/2020 14:04 CDT

Agency: Umbrella

320 Mililani St Ste 400 Honolulu, HI 96813-2906

Phone 8085502552

Fax 8085502551

To: Lee, Eugene

Additional Instructions:

Attn: Carly

IMPORTANT: This facsimile transmission contains confidential information, some or all of which may be protected health information as defined by the federal Health Insurance Portability & Accountability Act (HIPAA) Privacy Rule. This transmission is intended for the exclusive use of the individual or entity to whom it is addressed and may contain information that is proprietary, privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient (or an employee or agent responsible for delivering this facsimile transmission to the intended recipient), you are hereby notified that any disclosure, dissemination, distribution or copying of this information is strictly prohibited and may be subject to legal restriction or sanction. Please notify the sender by telephone number listed above) to arrange the return or destruction of the information and all copies.

Patient Details for Laughton, Clifford (Patient ID 670242, MRN ISLA34047)

Date Of Birth	11/26/1943	Status	Deceased
---------------	------------	--------	----------

General Clinical Chart Details

Effective Date	Discipline	Chart Owner	Encounter Type
07/13/2020	Skilled Nurse	Kuo, Mike (mkuo@islandshospice.com)	IH DV*
Created By			
Kuo, Mike (mkuo@islandshospice.com)			

Patient Time

Time In	Time Out	Mileage
07/13/2020 22:31 HST	07/13/2020 23:00 HST	0.0

Bereavement Assessment

Other Family

Other Significant Family Members
Pt spouse Jackie

How will the bereaved cope?

Fair, probably will get by without special help (having a difficult time at this time)

Comments

Pt spouse will need some help through bereavement services.

Care Plan Problem Update

Care Plan Problem	Goal
Post Mortem Plan of Care	Mr Laughton will be well-groomed, family will be educated on bereavement process follow up

Console Clinical Chart for LAUxC at Office Islands Hospice Inc

Care Plan Problem Interventions

Name	Due Date	Action Performed?	Outcome	P/F Engagement	Resolved?	Comments
After assessment of lack of VS, notify AOR re TOD for pronouncement		Yes	Completed	Engaged	Yes	
Assess for any religious needs/concerns; Offer SCP visit		Yes	Completed	Engaged	Yes	
Cleanse body and dress in clothing of choice (welcome family to assist with this if they would like)		Yes	Completed	Engaged	Yes	
Confirm mortuary with family/POA/CG and contact mortuary for pick up within 4 hours		Yes	Completed	Engaged	Yes	
Document concerns or issues that are noted that may need assistance with at a later time		Yes	Completed	Engaged	Yes	
Explain Bereavement Program; Bereavement coordinator will be contacting POC to offer support, answer questions and guide through next steps		Yes	Completed	Engaged	Yes	
Offered active listening and compassionate support to family/friends that are present		Yes	Completed	Engaged	Yes	
Provide Privacy		Yes	Completed	Engaged	Yes	
Safely dispose of unused opioids: Educated CG/Family to empty in to a diaper (provided) and saturate with liquid empty in trash can		Yes	Completed	Engaged	Yes	

Care Plan Problem Update

Effective Date

07/13/2020

Created ByKuo, Mike
(mkuo@islandshospice.com)Outcome

Completed

Patient / Family Engagement

Engaged

Resolved

Yes

Comments

post mortem care done by staff.

Inpatient Unit Note

Consolo Clinical Chart for LAUxC at Office Islands Hospice Inc

Activity

Other

Notes

Bereavement Assessment: Pt spouse will need some help through bereavement services.

Nursing Summary: Name: Clifford Laughton, DOB: 11/26/1943, , Dx: J96.11 - Chronic respiratory failure with hypoxia, 2nd: R13.10 -

Dysphagia, unspecified, Tertiary: J69.0 - Pneumonitis due to inhalation of food and vomit, , Notified of death by: RN Mike, ,

Assessment upon arrival: No apical pulse for 1 minute, , Date and time of death: 7/13/2020 at 2230, , Physician notified for

pronouncement of death: Dr Baron Wong, , Physician who will sign death certificate: Dr. Baron Wong, , Post mortem care provided by:

CNA Addie and this RN, , Mortuary confirmation: Nuuanu Mortuary, wants immediate pickup. Appreciative of Islands Hospice

services., , Grief assessment and bereavement : Pt spouse Jackie grieving heavily (crying a lot on the phone), does not wish to come

to IPU to view patient one last time, she will need bereavement follow up services., , Location: Islands Hospice Home Rm 1, , DME:

Patient used IPU DMEs.

Rationale Notes

Pt passed, RN doing DV note. Was GIP level of care for unmanaged pain.

Nursing Summary

Nursing Summary Notes

Visit Notes/Ongoing Comprehensive Assessment

Name: Clifford Laughton

DOB: 11/26/1943

Dx: J96.11 - Chronic respiratory failure with hypoxia

2nd: R13.10 - Dysphagia, unspecified

Tertiary: J69.0 - Pneumonitis due to inhalation of food and vomit

Notified of death by: RN Mike

Assessment upon arrival: No apical pulse for 1 minute

Date and time of death: 7/13/2020 at 2230

Physician notified for pronouncement of death: Dr Baron Wong

Physician who will sign death certificate: Dr. Baron Wong

Post mortem care provided by: CNA Addie and this RN

Mortuary confirmation: Nuuanu Mortuary, wants immediate pickup. Appreciative of Islands Hospice services.

Grief assessment and bereavement : Pt spouse Jackie grieving heavily (crying a lot on the phone), does not wish to come to IPU to view patient one last time, she will need bereavement follow up services.

Location: Islands Hospice Home Rm 1

DME: Patient used IPU DMEs.

Signatures

1. Skilled Nurse Kuo, Mike (User) signed on 07/14/2020. Recorded by mkuo0 on 07/14/2020 06:37:03.

Signature: _____

Date: _____

FILED
Electronically
PR20-00415
2020-09-02 11:01:25 AM
Jacqueline Bryant
Clerk of the Court
Transaction # 8049374 : bblough

EXHIBIT "2"

Last Will and Testament of Clifford Laughton

I, Clifford Laughton, a resident of Washoe County, Nevada, revoke any prior wills and codicils made by me and declare this to be my Last Will and Testament.

Article One Family Information

I am unmarried.

I have three children. They are:

Jeffrey M. Lang;
Scott A. Lang; and
Mitchell A. Lang

All references in my Will to "my children" are references to these children.

However, I am specifically disinheriting Jeffrey, Scott and Mitchell. Therefore, for the purposes of my Will, Jeffrey, Scott and Mitchell will be deemed to have predeceased me.

Article Two Distribution of My Property

Section 2.01 Disposition of Tangible Personal Property

I direct that my Personal Representative distribute my tangible personal possessions according to a separate "Personal Property Memorandum" or other similar writing signed by me and kept with my personal records. It is my intent that the writing qualifies to distribute my tangible personal possessions under applicable state law. If the writing is not found at the time of my death, or is ruled an improper disposition, this bequest will lapse and my tangible personal possessions will become part of my living trust. If any items of tangible personal property I happen to own are not mentioned in the writing, those items will become part of my living trust. If any gift of tangible personal property lapses, then the items comprising the lapsed gift will become part of my living trust.

Section 2.02 Pour-Over to My Living Trust

I give all of my probate estate, excluding any property over which I have a power of appointment, after payment of expenses and taxes that are paid under this Will, to the

OR

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then-acting Trustee of the Laughton Living Trust dated January 10, 2012 and executed before this Will, to be added to the property of that trust. I direct that the Trustee administer the property as provided in the trust agreement and any amendments prior to my death.

Section 2.03 Alternate Disposition

If the trust referred to in Section 2.02 is not in effect at my death, or if for any other reason the pour-over cannot be accomplished, I specifically and completely incorporate the terms of the trust into this Will by reference. I direct my Personal Representative to then establish a trust in accordance with the provisions of that trust and distribute the remainder of my estate, excluding any property over which I have a power of appointment, to the Trustee of that trust to be administered as provided in the trust agreement.

Article Three Designation and Succession of Fiduciaries

Section 3.01 Personal Representative

I nominate Richard P. Schulze as my Personal Representative. If Richard P. Schulze fails or ceases to act as my Personal Representative, I nominate Ann R. Butay as my successor Personal Representative.

Article Four Powers of Fiduciaries

Section 4.01 Grant of Powers

My Personal Representative may perform every act reasonably necessary to administer my estate and any trust established under my Will. In addition to this general grant of powers, my Personal Representative is specifically authorized to:

Hold, retain, invest, reinvest, sell, and manage any real or personal property, including interests in any form of business entity including, but not limited to, limited partnerships and limited liability companies, and policies of life, health and disability insurance, without diversification as to kind, amount or risk of non-productivity and without limitation by statute or rule of law;

Partition, sell, exchange, grant, convey, deliver, assign, transfer, lease, option, mortgage, pledge, abandon, borrow, loan, and contract;

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Distribute assets of my estate in cash or in kind, or partly in each at fair market value on the date of distribution, without requiring *pro rata* distribution of specific assets and without requiring *pro rata* allocation of the tax bases of such assets;

Hold any interest in nominee form, continue businesses, carry out agreements, and deal with itself, other fiduciaries, and business organizations in which my Personal Representative may have an interest;

Establish reserves, release powers, and abandon, settle or contest claims; and

Employ attorneys, accountants, custodians for trust assets, and other agents or assistants as my Personal Representative deems advisable to act with or without discretionary powers and compensate them and pay their expenses from income or principal.

Section 4.02 Powers Granted by State Law

In addition to all of the above powers, my Personal Representative may, without prior authority from any court, exercise all powers conferred by my Will, by common law, or by Nevada Revised Statutes Chapter 143 or other statute of the State of Nevada or any other jurisdiction whose law applies to my Will. My Personal Representative has absolute discretion in exercising these powers. Except as specifically limited by my Will, these powers extend to all property held by my fiduciaries until the actual distribution of the property.

Section 4.03 Distribution Alternatives

My Personal Representative may make any payments under my Will:

Directly to a beneficiary;

In any form allowed by applicable state law for gifts or transfers to minors or persons under disability;

To a beneficiary's guardian, conservator, or caregiver for the benefit of the beneficiary; or

By direct payment of the beneficiary's expenses.

A receipt by the recipient for any distribution will fully discharge my Personal Representative, if the distribution is made in a manner consistent with the proper exercise of my Personal Representative's duties under my Will.

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Article Five Administrative Provisions

Section 5.01 Court Proceedings

If any trust is established under my Will, that trust will be administered in a timely and efficient manner consistent with its terms, free of active judicial intervention and without order, approval, or other action by any court. It will be subject only to the jurisdiction of a court being invoked by the Trustees or by other interested parties, or as otherwise provided by law.

Section 5.02 No Bond

I direct that no Personal Representative be required to give any bond in any jurisdiction. Notwithstanding this direction, if a bond is required by law or by court determination, no sureties will be required on the bond.

Section 5.03 Compensation and Reimbursement

Any fiduciary serving under my Will is entitled to reasonable compensation commensurate with services actually performed. In addition, any fiduciary serving under my Will is entitled to reimbursement for expenses properly incurred.

Section 5.04 Ancillary Fiduciary

If any ancillary administration is required or desired and my domiciliary Personal Representative is unable or unwilling to act as an ancillary fiduciary, my domiciliary Personal Representative may have power to designate, compensate, direct, and remove an ancillary fiduciary. The ancillary fiduciary may either be a natural person or a corporation. My domiciliary Personal Representative may delegate to the ancillary fiduciary any powers granted to my domiciliary Personal Representative as my domiciliary Personal Representative deems to be proper, including the right to serve without bond or without surety on bond. The net proceeds of the ancillary estate will be paid over to the domiciliary Personal Representative.

Article Six Taxes, Claims and Expenses

Section 6.01 Payment of Death Taxes, Claims and Expenses

The Trustee of the trust referred to in this Will is authorized to pay expenses incurred for my funeral and for the disposition of my remains, claims against my estate, and expenses of estate administration. Accordingly, I direct my Personal Representative to consult with the Trustee to determine which expenses and claims should be paid by my personal representative from property passing under my Will, and which expenses and claims should be paid by the Trustee from the trust.

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I direct my Personal Representative to follow any instructions contained in the Laughton Living Trust in making any tax elections, including, but not limited to, the allocation of my GST Exemption. My Personal Representative will suffer no liability for making or failing to make any tax election in good faith to any person, including any person not yet in being, whose interest may have been affected by my Personal Representative making or failing to make the tax election.

Any taxes imposed by reason of my death on property passing under and outside my Will are to be apportioned and paid in the manner provided in the Laughton Living Trust, and I incorporate the tax apportionment provisions of the Laughton Living Trust as part of my Will.

In no event may any death taxes be allocated to or paid from property that is not included in my gross estate for federal estate tax purposes or which qualifies for the federal estate tax charitable deduction.

Section 6.02 Tax and Administrative Elections

My Personal Representative may exercise any available elections under any applicable income, inheritance, estate, succession, or gift tax law. This authority includes the power to select any alternate valuation date for death tax purposes and the power to determine whether any administration expenses of my estate are to be used as estate tax deductions or as income tax deductions. No compensating adjustments are required between income and principal as a result of those determinations unless my Personal Representative determines otherwise, or unless required by law.

My Personal Representative is not liable to any beneficiary of my estate for tax consequences that arise as a result of the exercise or nonexercise of any tax elections or for decisions made concerning the allocation and distribution of property in kind in full or partial satisfaction of any beneficiary's interest in my estate.

My Personal Representative, in his or her sole and absolute discretion, may make any adjustments to the basis of my assets authorized by law, including but not limited to increasing the basis of any property included in my gross estate, whether or not passing under my Will, by allocating any amount by which the basis of my assets may be increased. My Personal Representative is not required to allocate basis increase exclusively, primarily or at all to assets passing under my Will as opposed to other property included in my gross estate. My Personal Representative may elect, in his or her sole and absolute discretion, to allocate basis increase to one or more assets that my Personal Representative receives or in which my Personal Representative has a personal interest, to the partial or total exclusion of other assets with respect to which such allocation could be made. My Personal Representative may not be held liable to any person for the exercise of his or her discretion under this Section.

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Article Seven General Provisions

Section 7.01 Adopted and Afterborn Persons

A legally adopted person in any generation and his or her descendants, including adopted descendants, has the same rights and will be treated in the same manner under this agreement as natural children of the adopting parent, provided such person is legally adopted prior to attaining the age of 18 years. A person is deemed to be legally adopted if the adoption was legal in the jurisdiction in which it occurred at the time that it occurred.

A fetus *in utero* that is later born alive will be considered a person in being during the period of gestation.

Section 7.02 Applicable Law

The validity and construction of my Will shall be determined by the laws of Nevada.

Section 7.03 No Contract to Make Will

I have not entered into any contract, actual or implied, to make a Will.

Section 7.04 Contest Provision

If any beneficiary of my Will or any trust created under my Will, alone or in conjunction with any other person engages in any of the following actions, the right of the beneficiary to take any interest given to the beneficiary under my Will or any trust created under my Will will be determined as it would have been determined as if the beneficiary predeceased me without leaving any surviving descendants.

Contests by a claim of undue influence, fraud, menace, duress, or lack of testamentary capacity, or otherwise objects in any court to the validity of (a) my Will, (b) any trust created under the terms of my Will, or (c) any beneficiary designation of an annuity, retirement plan, IRA, Keogh, pension or profit sharing plan or insurance policy signed by me, (collectively referred to hereafter in this Section as "Document" or "Documents") or any amendments or codicils to any Document;

Seeks to obtain an adjudication in any court proceeding that a Document or any of its provisions is void, or otherwise seeks to void, nullify or set aside a Document or any of its provisions;

Files suit on a creditor's claim filed in a probate of my estate, against my estate, or any other Document, after rejection or lack of action by the respective fiduciary;

Files a petition or other pleading to change the character (community, separate, joint tenancy, partnership, domestic partnership, real or personal, tangible or intangible) of property already so characterized by a Document;

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Files a petition to impose a constructive trust or resulting trust on any assets of my estates; or

Participates in any of the above actions in a manner adverse to my estate, such as conspiring with or assisting any person who takes any of the above actions.

My Personal Representative may defend, at the expense of my estate, any violation of this Section. A "contest" includes any action described above in an arbitration proceeding, but does not include any action described above solely in a mediation not preceded by a filing of a contest with a court.

Section 7.05 Construction

Unless the context requires otherwise, words denoting the singular may be construed as denoting the plural, and words indicating the plural may be construed as denoting the singular. Words of one gender may be construed as denoting another gender, as context requires.

Section 7.06 Headings and Titles

The headings and paragraph titles are for reference only.

Section 7.07 Internal Revenue Code, IRC or Code

References to the Internal Revenue Code, the IRC or the "Code" refer to the Internal Revenue Code of the United States. References to specific sections of the Code apply to any sections of like or similar import that replace the specific sections as a result of changes to the Internal Revenue Code made after the date of my Will.

Section 7.08 Other Definitions

Except as otherwise provided in my Will, terms will be interpreted as defined in Nevada Revised Statutes Title Twelve as amended after the date of my Will and after my death.

Section 7.09 Survivorship

For purposes of this Will, any beneficiary will be deemed to have predeceased me if the beneficiary dies within 180 days after the date of my death.

Section 7.10 Severability

If any part of this instrument is determined to be void or invalid, the remaining provisions will remain in full force and effect.

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I, Clifford Laughton, sign my name to this instrument consisting of 8 pages on January 10, 2012 and being first duly sworn, do hereby declare to the undersigned authority that I sign and execute this instrument as my Last Will and Testament, that I sign it willingly, that I execute it as my free and voluntary act for the purposes therein expressed, and that I am eighteen years of age or older, of sound mind, and under no constraint or undue influence.

Clifford Laughton
Clifford Laughton, Testator

STATE OF NEVADA

COUNTY OF WASHOE

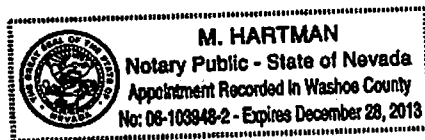
Then and there personally appeared the within-named Carole Duncan and Amaya B. Anderson, who, being duly sworn, depose and say under the penalty of perjury: That they witnessed the execution of the within Will of the within-named Testator, Clifford Laughton, that the Testator subscribed the Will and declared the same to be his Last Will and Testament in their presence; that they thereafter subscribed their names as witnesses in the presence of the Testator and in the presence of each other and at the request of the Testator; that the Testator at the time of the execution of the Will appeared to them to be of full age and of sound mind and memory, and that they make this affidavit at the request of the Testator.

Carole Duncan
Carole Duncan, Witness
140 West Huffaker Lane, Suite 510
Reno, Nevada 89511

Amaya B. Anderson
Amaya B. Anderson, Witness
140 West Huffaker Lane, Suite 510
Reno, Nevada 89511

Subscribed and sworn to before me this 10th day of January, 2012.

M. Hartman
Notary Public



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EXHIBIT PAGE ONLY

EXHIBIT 7

HUTCHISON & STEFFEN
A PROFESSIONAL LLC

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6 **IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**
7 **IN AND FOR THE COUNTY OF WASHOE**
8

9 In the Matter of the Estate of:

Case No. PR20-00415

10 CLIFFORD LAUGHTON,

Dept. PR

11 Deceased.
12 _____/

13 **ORDER TERMINATING SPECIAL ADMINISTRATION AND REVOKING LETTERS**
14 **OF SPECIAL ADMINISTRATION; ADMITTING WILL TO PROBATE; ISSUANCE**
15 **OF LETTERS TESTAMENTARY AND FOR GENERAL ADMINISTRATION**

16 The Petition of RICHARD P. SCHULZE entitled *Report of Special Administrator;*
17 *Request to Terminate Special Administration and Revocation of Letters of Special*
18 *Administration; Petition for Admission of Will to Probate; Issuance of Letters*
19 *Testamentary and for General Administration of Estate* in the above-entitled
20 proceeding, coming on regularly to be heard on this 14th day of October, 2020, at
21 10:00 a.m. and no person appearing to contest said Petition, the Court, after
22 examining the Petition and hearing the evidence finds that CLIFFORD LAUGHTON
23 died on the 13th day of July 2020, leaving an estate in the County of Washoe, State
of Nevada, subject to the jurisdiction of this Court; that all Notices of said hearing

1 have been given as required by law; and that the facts alleged in said Petition are
2 true, and therefore, grants said Petition as follows:

3
4 **IT IS ORDERED, ADJUDGED AND DECREED** that:

5 1. That due and proper notice of this hearing has been given as required
6 by law;

7 2. That the Special Administration is hereby terminated and Letters of
8 Special Administration are revoked in accordance with NRS 140.070;

9 3. That no further report of the Special Administrator shall be required,
10 in accordance with NRS 140.080;

11 4. That Letters Testamentary be issued to RICHARD P. SCHULZE, and a
12 General Administration be ordered;

13 5. That Petitioner shall serve without bond;

14 6. That the Personal Representative of the estate of CLIFFORD
15 LAUGHTON is authorized to sell any stocks and bonds owned by the estate which
16 may be sold upon an established stock or bond exchange without further notice or
17 confirmation by the court; and,

18 7. That the Personal Representative of the estate of CLIFFORD
19 LAUGHTON is authorized to sell any tangible personal property owned by the estate
20 which may depreciate in value if not disposed of promptly or which will cause the

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23 //

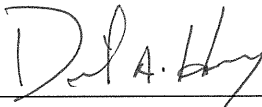
1 estate to incur loss or expense by being kept without further notice but subject to
2 confirmation by this court when and as appropriate or required.

3 DATED this 14th day of oct., 2020.

4 **IT IS SO RECOMMENDED.**

5 
6 PROBATE COMMISSIONER

7 **IT IS SO ORDERED.**

8 
9 DISTRICT JUDGE

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EXHIBIT 8

HUTCHISON & STEFFEN
A PROFESSIONAL LLC

Joseph R. Ganley (5643)
Todd L. Moody (5430)
Russel J. Geist (9030)
Joseph J. Powell (8775)
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10080 W. Alta Dr., Suite 200
Las Vegas, NV 89145
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Attorneys for Ann Rafael-Straka

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR THE COUNTY OF WASHOE, STATE OF NEVADA

In the matter of the estate of,

CLIFFORD LAUGHTON,

Deceased.

CASE NO.: PR20-00415
DEPT. NO.: PR

**MOTION TO REVOKE LETTERS
TESTAMENTARY AND TO REVOKE
PROBATE FOR LACK OF
JURISDICTION UNDER NRS 136.010 et
seq.**

Ann Rafael-Straka, by and through her counsel of record, hereby submits this *Motion To Revoke Letters Testamentary and To Revoke Probate For Lack Of Jurisdiction Under NRS 136.010 et seq.* This Motion is made and based on the following points and authorities, the papers and pleadings on file herein, the attached exhibits, and on other oral and documentary evidence as may be presented to the Court at the hearing on this Motion.

POINTS AND AUTHORITIES

1. Introduction.

It is certainly acceptable for a person to move to Nevada to *avoid* paying high taxes in his home state such as Hawaii, but it is not acceptable to pretend to move to Nevada to *evade* high Hawaii taxes, nor is it proper for such person's professional advisors and counselors, including a Nevada-licensed attorney, to encourage, advise, and abet such a sham. Unfortunately, a mountain

1 of evidence demonstrates that Clifford Laughton did exactly that: pretend to move to Nevada to
2 evade high Hawaii taxes. Even more unfortunate, Mr. Laughton was not dissuaded from his
3 scheme by his Nevada attorney. Instead, the evidence demonstrates that Richard P. Schulze not
4 only was aware of the scheme, he advised and abetted Mr. Laughton in such scheme going so far
5 as to advise and allow Mr. Laughton to use his personal residential address on Department of
6 Motor Vehicles forms and Nevada voter registration applications when he knew that Mr.
7 Laughton was not physically a resident of Nevada as required by Nevada law.

8 The fact that Mr. Laughton was not a resident of Nevada is a crucial jurisdictional matter
9 because his alleged residency forms the basis of Mr. Schulze's illegitimate authority to administer
10 an estate in Nevada. As demonstrated below, Mr. Schulze has not honestly and innocently
11 claimed Mr. Laughton's residency, but has instead knowingly perpetuated a falsehood in all prior
12 pleadings in this matter to allege that this Court has jurisdiction over Mr. Laughton's estate.
13 Factually and legally, there is no subject matter jurisdiction in Nevada over Mr. Laughton's
14 estate. There has never been subject matter jurisdiction in Nevada over Mr. Laughton's estate.
15 Accordingly, this Court must revoke the letters testamentary and the probate of Mr. Laughton's
16 will for lack of subject matter jurisdiction.

17 **2. Factual Background.**

18 **a. Jurisdictional Allegation for the Special Administration**

19 On August 4, 2020, Richard P. Schulze filed his "Ex Parte Motion for Appointment of
20 Special Administrator" (the "Motion for Special Administration") alleging, *inter alia*, this Court
21 has jurisdiction over the Estate, and that specifically, "CLIFFORD LAUGHTON, whose address
22 is 18124 Wedge Pkwy, Reno, NV 89511, died on or about the 13th day of July 2020, in Honolulu,
23 Hawaii and at the time of his death was a resident of the County of Washoe, State of Nevada, and
24 a citizen of the United States of America." *See* Ex Parte Motion for Appointment of Special
25 Administrator, filed August 4, 2020, at 2:2-5. The address listed by Mr. Schulze, 18124 Wedge
26 Pkwy, Reno, NV 89511 (the "Wedge Parkway address"), is associated on Google.com and
27 Google Maps with The UPS Store, a store that offers mailbox rental with mail forwarding.
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Attached as **Exhibit 1** is a copy of the webpage for The UPS Store at 18124 Wedge Pkwy, Reno, NV 89511 accessed on May 5, 2021. Attached as **Exhibit 2** is a copy of the Google Maps listing and photograph of the storefront of The UPS Store at 18124 Wedge Pkwy, Reno, NV 89511 accessed on May 5, 2021.

Mr. Schulze further alleged that “Attached hereto as **Exhibit 1** is a statement from Dr. Eugene M.C. Lee and a Renown Certificate of Patient Expiration Data stating the date of Mr. Laughton’s death as well as the cause of death.” *See* Ex Parte Motion for Appointment of Special Administrator, at 2:5-7. Mr. Schulze’s Exhibit 1 to the Motion for Special Administration includes a statement from Dr. Eugene M.C. Lee, a physician in Honolulu, Hawaii. However, there is no “Certificate of Patient Expiration Data” from Renown, a Washoe County healthcare company. Instead, Mr. Schulze’s Exhibit 1 includes an unsigned report from Islands Hospice, Inc., the hospice home in Honolulu, Hawaii where Mr. Laughton presumably died.

Mr. Schulze alleged no other jurisdictional facts in the Motion for Special Administration beyond Mr. Laughton’s alleged residency in Washoe County, Nevada.

Mr. Schulze signed the Motion for Special Administration as “Attorney for SPECIAL ADMINISTRATOR” and as “RICHARD P. SCHULZE, ESQ,” and signed a sworn verification of the Motion for Special Administration as the “Petitioner” and filed the same with this Court.

On August 7, 2020, this Court issued its Order Appointing Special Administrator, based on Mr. Schulze’s representations in the Motion for Special Administration, specifically stating:

Upon submission of a verified Ex Parte Motion for Appointment of Special Administrator, representing as follows:

1. That CLIFFORD LAUGHTON died on July 13, 2020, and at the time of his death was a resident of the County of Washoe, State of Nevada.

b. Jurisdictional Allegation for the General Administration

On September 2, 2020, Mr. Schulze filed his “Report of Special Administrator; Request to Terminate Special Administration and Revocation of Letters of Special Administration; Petition for Admission of Will to Probate; Issuance of Letters Testamentary; and For General Administration of Estate” (the “Petition for Probate”) alleging, *inter alia*, this Court has

1 jurisdiction over the Estate, and that specifically, “CLIFFORD LAUGHTON, whose address is
2 18124 Wedge Pkwy, Reno, NV 89511, died on or about the 13th day of July 2020, in Honolulu,
3 Hawaii and at the time of his death was a resident of the County of Washoe, State of Nevada, and
4 a citizen of the United States of America.” *See* Report of Special Administrator; etc., filed
5 September 2, 2020, at 2:18-22. The Wedge Parkway address listed by Mr. Schulze is associated
6 on Google.com and Google Maps with The UPS Store, a store that offers mailbox rental with
7 mail forwarding. *See* Exhibit 1 and Exhibit 2.

8 Mr. Schulze further alleged that “Attached hereto as **Exhibit 1** is a statement from Dr.
9 Eugene M.C. Lee and a Certificate of Patient Expiration Data stating the date of Mr. Laughton’s
10 death as well as the cause of death.” *See* Report of Special Administrator; etc., at 2:22-24. Mr.
11 Schulze’s Exhibit 1 to the Motion for Special Administration includes a statement from Dr.
12 Eugene M.C. Lee, a physician in Honolulu, Hawaii, and an unsigned report from Islands Hospice,
13 Inc., the hospice home in Honolulu, Hawaii where Mr. Laughton presumably died.

14 Mr. Schulze alleged no other jurisdictional facts in the Petition for Probate beyond Mr.
15 Laughton’s alleged residency in Washoe County, Nevada.

16 Mr. Schulze signed the Petition for Probate as “RICHARD P. SCHULZE, ESQ,” and
17 signed a sworn verification of the Petition for Probate as the “Petitioner” and filed the same with
18 this Court.

19 On October 14, 2020, this Court issued its Order Terminating Special Administration and
20 Revoking Letters of Special Administration; Admitting Will to Probate; Issuance of Letters
21 Testamentary and for General Administration, based on Mr. Schulze’s representations in the
22 Petition for Probate, specifically stating:

23 ... after examining the Petition and hearing the evidence finds that
24 CLIFFORD LAUGHTON died on the 13th day of July 2020, leaving an estate
25 in the County of Washoe, State of Nevada, subject to the jurisdiction of this
Court;....

26 Mr. Schulze did not plead or prove in the Motion for Special Administration or in the
27 Petition for Probate that Mr. Laughton left “an estate in the County of Washoe, State of Nevada,
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1 subject to the jurisdiction of this Court.” *See* Motion for Special Administration and Petition for
2 Probate. Instead, Mr. Schulze’s only allegation of jurisdiction is based on Mr. Laughton’s alleged
3 residency in Washoe County, Nevada, which as will be shown hereafter, is demonstrably false.
4 Additionally, Mr. Schulze was aware of Mr. Laughton’s phony residency based on Mr. Schulze’s
5 own actions before and after Mr. Laughton’s death, bringing into question Mr. Schulze’s candor
6 towards the Court and other responsibilities under Nevada Rules of Professional Conduct as well
7 as Nevada Rules of Civil Procedure.

8 **c. Clifford Laughton Was a Resident of Hawaii**

9 Clifford Laughton’s business office and residence was in Honolulu, Hawaii, where his
10 closest business associates and friends affirm that he resided. Notably, Jacqueline Takeshita, Mr.
11 Laughton’s life partner for about 40 years, affirms by affidavit attached as **Exhibit 3** hereto,
12 “Throughout this entire period, Cliff was a permanent resident of Hawaii and was never a
13 permanent resident, or even part-time resident, of Nevada.” *See* Exhibit 3 at page 1, paragraph 3.
14 Ms. Takeshita further affirms, “During the final 10 years of Cliff’s life, we lived together
15 continuously in several different homes in Hawaii. Our final home for about four years was at
16 611 Puuikena Drive, Honolulu, HI 96821.” *Id.* at page 2, paragraph 4. Ms. Takeshita concludes,
17 “For the last six years of his life, Cliff lived and worked out of our homes in Honolulu. Although
18 he had offices at Executive Centre, he preferred to work out of our home.” *Id.* at paragraph 5.

19 Ken Gross, Mr. Laughton’s business partner and legal counsel, affirms by affidavit
20 attached as **Exhibit 4** hereto, that he has known Mr. Laughton as a business associate and friend
21 for almost 30 years, and, “During the 20+ years before his passing, Cliff was a permanent resident
22 of Hawaii and was never a permanent resident, or even part-time resident, of Nevada.” *See*
23 Exhibit 4 at page 2, paragraph 5. Mr. Gross further affirms, “For the last 10 years of his life, Cliff
24 lived and worked out of his homes in Honolulu. Although he had offices at Executive Centre, he
25 preferred to work out of his home for health reasons.” *Id.* at paragraph 6.

26 Steven W. Rose, a Hawaii resident of 50 years and business partner and friend of Mr.
27 Laughton for 20 years, affirms by affidavit attached as **Exhibit 5** hereto, “During the 20 years
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1 before his passing, Cliff was a permanent resident of Hawaii and was never a permanent resident,
2 or even part-time resident, of Nevada.” Exhibit 5 at page 2, paragraph 4. Mr. Rose further
3 affirms, “For the last 10 years of his life, Cliff lived and worked out of his homes in Honolulu.
4 Although he had offices at Executive Centre, he preferred to work out of his home for health
5 reasons.” *Id.* at paragraph 5.

6 Ms. Rafael-Straka who had worked for Mr. Laughton for about 15 years, and was closely
7 associated with him as both a business associate and friend from 2009 until his death, affirms by
8 affidavit attached as **Exhibit 6** hereto, “Based on my observations, I can say with complete
9 confidence that from 2009 until his death in July 2020, Cliff was a permanent resident of Hawaii
10 residing with his life partner, Jackie Takeshita, in 4 separate homes in the following order: 1) 619
11 Puuikena Drive, Honolulu, HI 96821; 2) 1088 Bishop Street, Unit 4006, Honolulu, HI 96813; 3)
12 4747 Farmers Road, Honolulu, HI 96816; and 4) 611 Puuikena Drive, Honolulu, HI 96821.
13 During this time, Cliff was never a permanent or part-time resident of Nevada.” *See* Exhibit 6 at
14 page 2, paragraph 5. Ms. Rafael-Straka further affirms, “For the last 10 years of his life, Cliff
15 lived and worked out of his homes in Honolulu. Although he had offices at Executive Centre, he
16 preferred to work out of his home for health reasons.” *Id.* at paragraph 7.

17 Among the advisors in Hawaii who Mr. Laughton relied on was Reid Tatsuguchi, his
18 Honolulu, Hawaii based certified public accountant. Mr. Tatsuguchi and his CPA firm prepared
19 Mr. Laughton’s federal income tax returns and Hawaii income tax returns at least as far back as
20 2016. Copies of Mr. Laughton’s Federal Income Tax Returns and Hawaii Individual Income Tax
21 Returns from tax years 2016 - 2019 are attached as **Exhibit 7** and **Exhibit 8**, respectively.

22 Notably, Mr. Laughton’s Federal Income Tax Returns for tax years 2016-2018 list his
23 “Home Address” as “18124 Wedge Pkwy, Apt. 456, Reno, NV 89511,” which is the Wedge
24 Parkway address, the address of The UPS Store where Mr. Laughton presumably rented a
25 mailbox and mail forwarding service.

26 Notably, the Hawaii Individual Income Tax Returns were forms prepared and filed for a
27 full-time Hawaii “RESIDENT” for tax years going back to 2016, including Mr. Laughton’s tax
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1 return for 2019 prepared for Mr. Schulze as personal representative to file on behalf of the
2 deceased Mr. Laughton. Hawaii has separate individual income tax returns designated for a
3 “Nonresident and Part-year Resident;” however, none of Mr. Laughton’s recent Hawaii Individual
4 Income Tax Returns, including the 2019 return prepared for Mr. Schulze used the “Nonresident
5 and Part-year Resident” form.

6 **d. Clifford Laughton’s False Nevada Residency**

7 Despite Mr. Laughton’s actual, legal, physical residency in Hawaii (*see* Affidavit of Ann
8 Rafael-Straka at paragraph 5), he took steps to create a façade of Nevada residency, at least as far
9 back as 2012, when he requested a Nevada driver’s license listing the Wedge Parkway address as
10 his address. Attached as **Exhibit 9** is a copy of the 2016 Nevada DMV driver’s license renewal
11 documents, including a copy of Mr. Laughton’s 2012 issued driver’s license showing the Wedge
12 Parkway address.

13 The issue of Mr. Laughton’s address became a topic for which he sought advice and
14 assistance from Mr. Schulze. On or around September 25, 2015, Mr. Schulze sent an email to Mr.
15 Laughton regarding Mr. Laughton’s mail forwarding, stating:

16 Let me know when you register to vote, etc. so I can get any mail to you as soon
17 as possible
18 Rich

19 A copy of the September 25, 2015 email from Mr. Schulze to Mr. Laughton and the reply is
20 attached as **Exhibit 10**. Mr. Laughton replied the same date:

21 Hi Rich

22 I will do a couple of trial runs to my name at your address. Then I will put in a
23 change of address to my Reno P.O. Box, so you won’t have to physically deal
24 with any mail that gets sent to me at your address.

25 The voter registration form asks for a residential address as well as a mailing
26 address for those that use one. The residential address is a “must have” whereas
27 the P.O. Box is an option. If you only put down the P.O. Box as an address, your
28 registration will not be accepted.

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Thanks again for your assistance with this.

Best regards,

Cliff

Id.

In an email exchange between Mr. Laughton and Ms. Rafael-Straka on or about January 6-7, 2016, Mr. Laughton requested from Ms. Straka:

Kiddo
I have to perfect my Nevada voter information. I need the following numbers:
Business:
Residence:
Cell:
Thanks.
Cliff

A copy of the email exchange dated January 6-7, 2016 is attached as **Exhibit 11**. Ms. Rafael-Straka thereafter replied demonstrating the forwarding of Mr. Laughton’s Nevada calls to his Hawaii-based telephone numbers designated with the 808 area code:

Business: 775-337-2660 (Number is call forwarded to Office 808-523-5000)
Residence: 775-849-9220 (Number is call forwarded to your cell 808-295-2200)
Cell: 775-741-5000 (No idea where this cell phone is located but number is working and we have been paying the account)
Thanks
Ann

Id. Mr. Laughton then confirmed the plan to use a fake residential address in his reply:

Great, m’dear. These need to be kept active always. I am going to use Rich Schulze’ home as my residence address. With his permission, of course.
Thanks
Cliff

Id.

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///
///

1 On or about April 28-29, 2016, Laughton requested that Mr. Schulze allow Mr. Laughton
2 “formally” to use Schulze’s home address as Laughton’s “Nevada residence address” reciting a
3 prior offer to do so:

4 Hi Rich

5 If the offer is still open to let me use your residence address for my Nevada
6 residence address, I will now formally do this. I have to do a voter change of
7 address, if I am going to vote in Nevada come November.

8 Please confirm that this is still an option and, if so, please give me that address
9 again, just to make sure I have it current and correct. It looks like the form also
10 requires a County.

11 Thanks, again, Rich. I’ve got to either buy something or build something one of
12 these days on one of the Montreux lots.

13 Talk soon.

14 Cliff

15 A copy of the April 28-29, 2016 email exchange is attached as **Exhibit 12**. Mr. Schulze then
16 replied, “Good morning, Cliff! Yes, you may use my address for your Nevada address. 1849
17 Citadel Circle, Carson City, NV 89703 County = Carson City” *Id.*

18 Mr. Laughton thereafter began using Mr. Schulze’s residence address as his own for
19 Nevada DMV purposes, listing Mr. Schulze’s home address, 1849 Citadel Circle, Carson City,
20 NV 89703-8300, as his “NEVADA PHYSICAL ADDRESS” and the Wedge Parkway address as
21 his “MAILING ADDRESS.” *See* Exhibit 9. However, the Physical Evaluation Form for renewal
22 by mail initially listed “1088 Bishop St. PH, Honolulu, HI 96813” as his address, which was then
23 crossed out and rewritten as “12184 Wedge Pkwy #456, Reno, Nevada 89511-8134.” *Id.* The
24 vision certification was completed by Jodi Kamemoto, an optometrist in Honolulu, HI, and the
25 medical certification was completed by Eugene M.C. Lee, a physician in Honolulu, HI who also
26 completed the statement Mr. Schulze included with his Motion for Special Administration and
27 Petition for Probate. *Id.*

28 The driver’s license thereafter issued to Mr. Laughton listed Mr. Schulze’s home address,
“1849 CITADEL CIR, CARSON CITY, NV 89703-8300” as his “residence” despite not living
there. In fact, Mr. Laughton could not even remember the address to use, having had to ask Mr.
Schulze to “please give me that address again.” Two years after the issuance of Mr. Laughton’s

1 driver's license listing Mr. Schulze's address as his "residence," he again had to ask Schulze for
2 the address to continue the ruse of creating a paper trail purportedly showing his residence as
3 Nevada. On or about September 14, 2018, Mr. Laughton emailed Mr. Schulze again asking
4 permission to use Schulze's home address as Laughton's residence address, stating:

5 Hi Rich
6 Can I use your home address for the upcoming?
7 If I may, can you please give me that once again?
8 Thanks.
9 Cliff

10 A copy of the September 14-20, 2018 email exchange is attached as **Exhibit 13**. Mr. Schulze
11 replied on September 19, 2018, "Yes, you may use my address. It is 1820 North Division Street,
12 Carson City, NV 89703." *Id.* Mr. Laughton replied to Mr. Schulze, confirming the ruse of using
13 a false Nevada address, stating, "Thanks again for letting me use your address for my residence
14 address." *Id.*

15 Clearly, Mr. Laughton, a resident of Hawaii physically residing, working and living in
16 Hawaii despite attempting to create an appearance that he was a Nevada resident, after being
17 advised, encouraged and abetted by Mr. Schulze, was merely creating a paper trail of residences
18 that were not Mr. Laughton's and in which he did not reside. Mr. Schulze was obviously aware
19 that Mr. Laughton had no physical presence in Nevada having no actual residence at which to
20 live, instead allowing him to "use" Schulze's home address as his own.

The Estate Has No Nevada Real Properties

21 On January 20, 2021, Mr. Schulze filed an Inventory and Record of Value, which is
22 disputed for the unsupported claims of assets and values added to the Estate. Nevertheless, the
23 Inventory and Record of Value is illustrative of the complete lack of evidence that Mr. Laughton
24 has any estate subject to Nevada jurisdiction. The Inventory and Record of Value lists as assets of
25 the estate: (1) Entities (i.e., limited liability companies and corporations) owning real estate; (2)
26 Entities (i.e. limited liability companies) owning boats / vessels; (3) Bank accounts, including
27 national banks and banks located in Hawaii; (4) Personal property, primarily gold coins; and (5)
28 Real property at 611 Puuikena Drive, Honolulu, Hawaii.

1 On the chance Mr. Schulze may argue that some of the “Entities Owning Real Estate”
2 have real property in Nevada, such indirect ownership does not subject the Estate to Nevada
3 jurisdiction. Ownership of an entity by the decedent is personal property, not real property, and is
4 therefore not fixed in Nevada. The underlying asset or assets are not owned by the decedent, but
5 by the entity, which continues to exist beyond the death of the decedent. Therefore, the Inventory
6 and Record of Value lists no real property in Nevada subject to the jurisdiction of this Court.

7 **2. Legal Argument.**

8 Subject matter jurisdiction is conferred over a decedent’s estate by NRS 136.010 which
9 provides in pertinent part:

10 1. The estate of a decedent may be settled by the district court of any county in
11 this State:

12 (a) In which any part of the estate is located; or

13 (b) Where the decedent was a resident at the time of death.

14 2. If the decedent was a resident of this State at the time of death, the district
15 court of any county in this State, whether death occurred in that county or
16 elsewhere, may assume jurisdiction of the settlement of the estate of the decedent
only after taking into consideration the convenience of the forum to:

17 (a) The person named as personal representative or trustee in the will; and

18 (b) The heirs, devisees, interested persons or beneficiaries to the decedent
19 or estate and their legal counsel.

20 NRS 136.010 concerns a court’s subject-matter jurisdiction (in contrast to other jurisdictional
21 concerns, such as personal jurisdiction or venue). *See Bergeron v. Loeb*, 100 Nev. 54, 58–59, 675
22 P.2d 397, 400 (1984) (finding that the court had subject-matter jurisdiction over a probate estate
23 and, in conjunction with that finding, noting that “NRS 136.010 . . . gives exclusive jurisdiction of
24 the settlement of estates to the district court of the county in which the deceased was a resident at
25 the time of death”); *Johnson v. Niemeyer*, No. 2:13–cv–01194–APG–GWF, 2014 WL 584939, at
26 *1 (Feb. 12, 2014) (unpublished disposition) (citing NRS 136.010 and dismissing a complaint
27 because “Plaintiff ha[d] not pled any facts to suggest that the decedent was a resident of Nevada,
28

1 nor that any part of the subject estate [was] located in Nevada.”) The existence of an estate
2 subject to the court’s jurisdiction is a prerequisite to granting letters of administration. *In re*
3 *Dickerson’s Estate*, 51 Nev. 69, 268 P. 769, 1928 Nev. LEXIS 12 (1928) (decision under former
4 similar statute). In other words, the lack of an estate subject to the court’s jurisdiction because the
5 decedent was not a resident and there is no part of the estate in Nevada, deprives the court of
6 jurisdiction and the court cannot grant letters of administration because of the lack of subject
7 matter jurisdiction.

8 Defects in subject matter jurisdiction may be addressed at any time by the court, and
9 cannot be waived by parties. *See Washoe Cty. v. Otto*, 128 Nev. 424, 434-35, 282 P.3d 719, 727
10 (2012) (explaining that a district court lacks subject matter jurisdiction to consider a petition for
11 judicial review where the petitioner fails to comply with the statutory requirements for filing the
12 petition); *see also Vaile v. Eighth Judicial Dist. Court*, 118 Nev. 262, 276, 44 P.3d 506, 515-16
13 (2002) (providing that subject matter jurisdiction cannot be waived); *Basin Energy Co. v.*
14 *Howard*, 447 S.W.3d 179 (2014); *McCullough & Sons, Inc. v. City of Vadsnais-Heights*, 883
15 N.W.2d 580 (2016) (“Courts can question subject-matter jurisdiction at any time, even if the
16 parties to a case have not done so.”)

17 The question of who is a legal resident of Nevada is defined by Nevada law, not by mere
18 intent to be a resident. Title 12 of the Nevada Revised Statutes provide no specific definition of
19 legal residence for purposes of probate administration, therefore, NRS 10.155 applies, which
20 provides in pertinent part:

21 Unless otherwise provided by specific statute, **the legal residence of a person**
22 with reference to the person’s right of naturalization, right to maintain or defend
23 any suit at law or in equity, or any other right dependent on residence, **is that**
24 **place where the person has been physically present within the State or**
county, as the case may be, during all of the period for which residence is
claimed by the person.

25 (emphasis added.) Physical presence in the State is required to establish residency for
26 administering a decedent’s estate. Merely creating a paper trail of a mailbox forwarding mail to
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1 another state and using someone else's home address as a physical address, while maintaining a
2 continuous physical presence in another state, is not sufficient to establish residence in Nevada.

3 If a decedent does not have "any part of the estate," i.e. real property, in Nevada and the
4 decedent is not a resident in Nevada or any of its counties at the time of his death, there is no
5 jurisdiction for a Nevada court to settle his estate.

6 **A. The Motion for Special Administration and Petition for Probate Lack Subject**
7 **Matter Jurisdiction Required under NRS 136.010.**

8 Nevada law confers subject-matter jurisdiction over an estate only if the decedent was a
9 resident of Nevada at the time of death or if part of the estate was located in Nevada. NRS
10 136.010. Both the Motion for Special Administration and Petition for Probate allege that Mr.
11 Laughton "at the time of his death was a resident of the County of Washoe, State of Nevada"
12 providing the Wedge Parkway address as his "residence." The allegation of residency and the use
13 of the Wedge Parkway address for Mr. Laughton's "residence" is preposterous and inexcusable.
14 Mr. Schulze's representation of Mr. Laughton's "residency" was knowingly false.

15 Mr. Schulze had corresponded with Mr. Laughton multiple times since 2016 responding to
16 Laughton's request to "use [Schulze's] residence address for [his] Nevada residence address."
17 Such a request by a client to a Nevada-licensed attorney should have raised red flags, and
18 questions: Why doesn't Mr. Laughton already have a residence address if he is a Nevada
19 resident? Why can't Mr. Laughton reside at his Wedge Parkway address? If Mr. Laughton intends
20 to "reside" at my home address, why can he not remember the address? If he considered these
21 questions, Mr. Schulze was unfazed because he already knew the answers.

22 Mr. Schulze knew as early as September 25, 2015 that the Wedge Parkway address was
23 Mr. Laughton's "Reno P.O. Box" to which he promised to forward mail "so [Schulze] won't have
24 to physically deal with any mail that gets sent to [Laughton] at [Schulze's] address." *See* Exhibit
25 10. For Schulze to represent to this Court that Mr. Laughton resided at his "Reno P.O. Box"
26 raises serious questions about his candor to the Court and to the other parties in this matter,
27 irrespective of the fabricated jurisdiction for his petitions.
28

1 Mr. Schulze was further aware that Mr. Laughton intended to use Schulze's address for
2 voter registration, since such application required "a residential address as well as a mailing
3 address" and Laughton's mailbox at the Wedge Parkway address was insufficient for such
4 registration. *Id.* The scheme could not be clearer: Mr. Laughton did not have a residential
5 address, and required Mr. Schulze's home address in order to claim residency for voter
6 registration.

7 Mr. Schulze obliged Mr. Laughton's request again on April 28-29, 2016 (*see* Exhibit 11),
8 and again on September 14-20, 2018 (*see* Exhibit 12). Mr. Schulze could not have been oblivious
9 to the fact that Mr. Laughton, who lived in Honolulu, Hawaii and who invited Mr. Schulze to
10 reach out to him the next time he was in Honolulu (*see* Exhibit 13), previously gave a "Reno P.O.
11 Box" as his address, which was in fact the mailbox at the Wedge Parkway address and to which
12 he would forward mail, and had to use Schulze's home address as his own because he did not
13 reside in Nevada. Mr. Schulze cannot claim ignorance of Mr. Laughton's Hawaii residency,
14 mistakenly alleging Laughton was a Nevada resident living at the Wedge Parkway address. Mr.
15 Schulze's complicity in Mr. Laughton's scheme demonstrated by the numerous emails agreeing to
16 Mr. Laughton's use of his home address precludes any claim of innocence or mistake.

17 Mr. Schulze's later action of filing a Hawaii Individual Income Tax Returns for a full-time
18 RESIDENT confirms that he is aware of Mr. Laughton's true status as a resident of Hawaii, not
19 Nevada. The affidavits of Mr. Laughton's close friends and business associates further establish
20 that Mr. Laughton was a permanent resident of Hawaii. *See* Exhibits 3-6. Mr. Laughton's tax
21 returns and use of his Honolulu CPA firm (*see* Exhibits 7 and 8), his use of his Honolulu
22 optometrist and physician to evaluate him for a Nevada driver's license (*see* Exhibit 9), and the
23 fact that his Nevada "business" phone number was forwarded to his Honolulu office (*see* Exhibit
24 11), clearly show that Mr. Laughton conducted all of his business in Hawaii.

25 The Inventory and Record of Value filed by Mr. Schulze showing no part of the estate
26 located in Nevada, only personal property held by a Hawaii resident in Hawaii, also demonstrate
27 that the estate has no other basis for subject matter jurisdiction in Nevada.
28

1 **B. Schulze’s Letters Testamentary and the Motion for Special Administration**
2 **and Petition for Probate Must be Revoked for Lack of Subject Matter**
3 **Jurisdiction.**

4 The jurisdictional defects in the Motion for Special Administration and Petition for
5 Probate cannot be cured by any action hereafter taken by Mr. Schulze. He cannot create
6 residency where none existed. The allegation of a “residence” at The UPS Store at the Wedge
7 Parkway address is not only insufficient to prove Nevada residency, but creates an issue of
8 credibility for Mr. Schulze who was clearly aware of Mr. Laughton’s scheme to pretend to be a
9 Nevada resident using the mailbox at the Wedge Parkway address and Schulze’s own home
10 address. Mr. Schulze’s complicity in Mr. Laughton’s façade should not be rewarded by permitting
11 him to continue to abuse this Court and its resources for administration of an estate over which it
12 has no jurisdiction.

13 With no other basis for the court to assert jurisdiction over the estate, this Court must
14 revoke Mr. Schulze’s letters testamentary and revoke the probate improperly granted upon
15 Schulze’s Petition for Probate. *In re Dickerson’s Estate*, 51 Nev. 69. The estate may properly be
16 administered in Hawaii, where Mr. Laughton was a resident at the time of his death. In fact, a
17 probate matter was already opened to administer the only real property Mr. Laughton owned in
18 his name, the real property at 611 Puuikena Drive, Honolulu, Hawaii which Schulze improperly
19 claimed on the Inventory and Record of Value for the putative Nevada estate.

20 **3. Conclusion**

21 For the foregoing reasons, Ms. Rafael-Straka respectfully requests that this Court enter an
22 order: (1) declaring that Clifford Laughton was not a Nevada resident, (2) declaring that the Court
23 lacks subject matter jurisdiction over the estate of Clifford Laughton as required under NRS
24 136.010; (3) revoking the letters testamentary issued to Richard Schulze, (4) revoking the probate
25 of Clifford Laughton’s Will granted upon Schulze’s Petition for Probate; and (5) closing the
26 matter accordingly.
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AFFIRMATION

(Pursuant to NRS 239B.030)

The undersigned does hereby affirm that the preceding document filed in this court does not
contain the social security number of any person.

DATED this 10th day of May, 2021.

HUTCHISON & STEFFEN, PLLC

/s/ Russel J. Geist

Joseph R. Ganley (5643)

Todd L. Moody (5430)

Russel J. Geist (9030)

Joseph J. Powell (8775)

Attorneys for Ann Rafael-Straka

1 **CERTIFICATE OF SERVICE**

2 Pursuant to NRCP 5(b), I certify that I am an employee of HUTCHISON & STEFFEN,
3 PLLC and that on this 10th day of May, 2021, I caused the above and foregoing documents
4 entitled **MOTION TO REVOKE LETTERS TESTAMENTARY AND TO REVOKE**
5 **PROBATE FOR LACK OF JURISDICTION UNDER NRS 136.010 et seq.** to be served as
6 follows:
7

- 8 ☐ by placing same to be deposited for mailing in the United States Mail, in a sealed
9 envelope upon which first class postage was prepaid in Las Vegas, Nevada; and/or
10 ☒ sent electronically via the Court's electronic service system; the date and time of
11 this electronic service is in place of the date and in place of deposit in the mail;
and/or

12 to the attorney(s) listed below at the address and/or facsimile number indicated below:

13 Via Electronic Service
14 Robert A. Dotson, Esq.
Justin C. Vance, Esq.
15 Dotson Law
5355 Reno Corporate Dr., Ste. 200
16 Reno, NV 89511
17 *Attorneys for Richard P. Schulze*

18
19
20 /s/ Amber Anderson-Reynolds
An employee of Hutchison & Steffen, PLLC
21
22
23
24
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LIST OF EXHIBITS

**MOTION TO REVOKE LETTERS TESTAMENTARY AND TO REVOKE PROBATE
FOR LACK OF JURISDICTION UNDER NRS 136.010 et seq.**

CASE NO.: PR20-00415

Exhibit No.	DOCUMENT TITLE	# OF PAGES
1	Copy of the webpage for The UPS Store at 18124 Wedge Pkwy, Reno, NV 89511	2
2	Copy of the Google Maps listing and photograph of the storefront of The UPS Store at 18124 Wedge Pkwy, Reno, NV 89511	2
3	Affidavit of Jacqueline Takeshita	3
4	Affidavit of Kenneth Gross	3
5	Affidavit of Steven Rose	4
6	Affidavit of Ann Rafael-Straka	3
7	Clifford Laughton's Federal Tax Returns 2016 - 2019	196
8	Clifford Laughton's Hawaii Individual State Income Tax Returns 2016 - 2019	83
9	2016 Nevada DMV driver's license renewal documents, including a copy of Mr. Laughton's 2012 issued driver's license	7
10	September 25, 2015 Email exchange between Mr. Schulze and Mr. Laughton	2
11	January 6-7, 2016 Email exchange between Mr. Laughton and Ms. Rafael-Straka	3
12	April 28-29, 2016 Email exchange between Mr. Schulze and Mr. Laughton	2
13	September 14-20, 2018 Email exchange between Mr. Schulze and Mr. Laughton	3

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EXHIBIT PAGE ONLY

EXHIBIT 1

HUTCHISON & STEFFEN

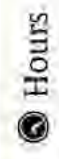
A PROFESSIONAL LLC



Galena Junction

OPEN TODAY UNTIL 7:00 PM

The UPS Store #2972



Get directions, store hours & UPS pickup times. If you need printing, shipping, shredding, or mailbox services, visit us at 18124 Wedge Pkwy, Locally owned and operated.

18124 Wedge Pkwy
Reno, NV 89511

Mt. Rose Hwy & Wedge Pkwy, Across From Trac & Univ S. Campus, 1 Mile West Of Summit Mall

[Get Directions](#) [Estimate Shipping Cost](#) [Contact Us](#)

Phone: (775) 852-1010

Fax: (775) 852-1924

Email: store2972@theupsstore.com

[Start Print Order](#) [Schedule Appointment](#)

Hours
Store Hours
Open Today Until 7:00 PM

UPS Air Pickup Times
Last Pickup Today at 5:30 PM

UPS Ground Pickup Times
Last Pickup Today at 5:30 PM



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EXHIBIT PAGE ONLY

EXHIBIT 2

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

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EXHIBIT PAGE ONLY

EXHIBIT 3

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

Name: Hutchison & Steffen, PLLC
Address: 10080 W. Alta Dr., Suite 200
City/State: Las Vegas, NV 89145
Telephone: 702-385-2500
Email: rgeist@hutchlegal.com

Attorneys for Ann Rafael-Straka

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR THE COUNTY OF WASHOE, STATE OF NEVADA

IN THE MATTER OF THE ESTATE OF)	CASE NO. PR20-00415
)	
CLIFFORD LAUGHTON, DECEASED.)	Dept No: PR

**AFFIDAVIT OF JACQUELINE TAKESHITA IN SUPPORT OF
MOTION TO REVOKE LETTERS TESTAMENTARY AND TO REVOKE
PROBATE FOR LACK OF JURISDICTION UNDER NRS 136.010 et seq.**

State of Hawaii)
) ss.
County of Honolulu)

I, JACQUELINE TAKESHITA, being first duly sworn on oath, hereby state and affirm as follows:

1. I am a resident of Honolulu County, State of Hawaii.
2. This affidavit is made on personal knowledge and I am otherwise competent to testify to the matters stated herein. My personal knowledge of the matters stated herein was derived from my direct participation in matters of direct relevance to this proceeding.
3. I was the life partner of Clifford Laughton for about 40 years, from about 1980 until his death in July 2020. For the majority of that time, we lived together and remained close. I knew Cliff very well and was aware of his living arrangements and travel. Throughout this entire period, Cliff was a permanent resident of Hawaii and was never a permanent resident, or even part-time resident, of Nevada.

4. During the final 10 years of Cliff's life, we lived together continuously in several different homes in Hawaii. Our final home for about four years was at 611 Puuikena Drive, Honolulu, HI 96821.

5. For the last six years of his life, Cliff lived and worked out of our homes in Honolulu. Although he had offices at Executive Centre, he preferred to work out of our home.

6. After Cliff's death, I was informed by Ann Rafael-Straka that the Personal Representative had decided that the home would be sold and that I would be required to vacate. The home sold fairly quickly and I was somewhat rushed to find another place to live. At the time, I saw no need to retain boxes of Cliff's papers, so I disposed of them before I moved.

7. From the time of Cliff's death until the time I moved out of the home, I was never contacted by the Personal Representative.

AFFIRMATION (Pursuant to NRS239B.030)

The undersigned does hereby affirm that the preceding document filed in this court does not contain the social security number of any person.

Date: 5/10/21

Jacqueline Takeshita
Jacqueline Takeshita

SUBSCRIBED and SWORN to before me this 10 day of May, 2021.

Justin Chinen

Notary Public



NOTARY PUBLIC CERTIFICATION
Justin Chinen First Judicial Circuit
Doc. Description: affidavit of Jacqueline Takeshita
In Support of motion to seek letters testamentary &
to seek probate for estate of Cliff - vol 423 136.0.0.21
No. of Pages: 2 Date of Doc. 5/10/21 Cay,
Justin Chinen 5/10/21
Notary Signature Date



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EXHIBIT PAGE ONLY

EXHIBIT 4

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

Name: Hutchison & Steffen, PLLC
Address: 10080 W. Alta Dr., Suite 200
City/State: Las Vegas, NV 89145
Telephone: 702-385-2500
Email: rgeist@hutchlegal.com

Attorneys for Ann Rafael-Straka

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR THE COUNTY OF WASHOE, STATE OF NEVADA

IN THE MATTER OF THE ESTATE OF)	CASE NO. PR20-00415
)	
CLIFFORD LAUGHTON, DECEASED.)	Dept No: PR

**AFFIDAVIT OF KENNETH GROSS, ESQ IN SUPPORT OF
MOTION TO REVOKE LETTERS TESTAMENTARY AND TO REVOKE
PROBATE FOR LACK OF JURISDICTION UNDER NRS 136.010 et seq.**

State of Florida)
) ss.
County of Seminole)

I, KENNETH GROSS, being first duly sworn on oath, hereby state and affirm as follows:

1. I am a resident of Seminole County, State of Florida, where I have lived for the past 20 years.
2. This affidavit is made on personal knowledge and I am otherwise competent to testify to the matters stated herein. My personal knowledge of the matters stated herein was derived from my direct participation or direct observance of the matters discussed herein.
3. I have known Clifford Laughton for almost 30 years. During the first 10 years of our association, I served primarily as General Counsel and Chief Operating Officer of Cliff's startup telecommunications company called Columbia Communications Corporation. I went on to become Cliff's closest business partner as well as his Legal Counsel. We eventually sold

Columbia Communications in 2000, and that transaction created considerable wealth which he used to build a diverse portfolio of investments.

4. From 2009 until his passing in July 2020, I worked with Cliff primarily as his Legal Counsel and handled a variety of specific projects involving many of his companies and many of his assets. During this time, we were very close, communicating regularly by phone and email several times per week about many different business issues. In an email dated Dec 7, 2010 Cliff wrote "I just want to let you know that you have been and continue to be the best business partner and advisor that anyone could possibly hope for. Mere words alone cannot possibly convey my appreciation for the support you have given me for almost two decades. More importantly, you have proven yourself to be the truest friend I have ever had. Thank you for being there for me."

5. Over the years, I grew to know Cliff very well, as a friend and business associate. Throughout most of our relationship, I was aware of his living arrangements. During the 20+ years before his passing, Cliff was a permanent resident of Hawaii and was never a permanent resident, or even part-time resident, of Nevada. In an email dated Nov 1, 2020, I informed Mr. Schulze and Mr. Caifano that the State of Nevada is not the proper jurisdiction for filings associated with the Laughton Estate or Trust.

6. For the last 10 years of his life, Cliff lived and worked out of his homes in Honolulu. Although he had offices at Executive Centre, he preferred to work out of his home for health reasons.

AFFIRMATION (Pursuant to NRS239B.030)

The undersigned does hereby affirm that the preceding document filed in this court does not contain the social security number of any person.

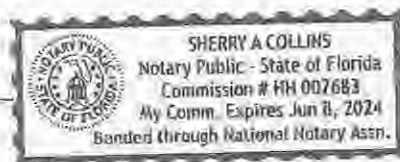
Date: 5/6/21

K Gross
Kenneth Gross

SUBSCRIBED and SWORN to before me this 6th day of May, 2021.

S Collins

Notary Public



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EXHIBIT PAGE ONLY

EXHIBIT 5

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

Name: Hutchison & Steffen, PLLC
Address: 10080 W. Alta Dr., Suite 200
City/State: Las Vegas, NV 89145
Telephone: 702-385-2500
Email: rgeist@hutchlegal.com

Attorneys for Ann Rafael-Stroka

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR THE COUNTY OF WASHOE, STATE OF NEVADA

IN THE MATTER OF THE ESTATE OF)	CASE NO. PR20-00415
)	
CLIFFORD LAUGHTON, DECEASED,)	Dept No: PR

**AFFIDAVIT OF STEVEN W. ROSE IN SUPPORT OF
MOTION TO REVOKE LETTERS TESTAMENTARY AND TO REVOKE
PROBATE FOR LACK OF JURISDICTION UNDER NRS 136.010 et seq.**

State of Hawaii)
) ss.
County of Maui)

I, STEVEN W. ROSE, being first duly sworn on oath, hereby state and affirm as follows:

1. I am a resident of Maui County, State of Hawaii, and have lived in Hawaii for at least 50 years.
2. This affidavit is made on personal knowledge and I am otherwise competent to testify to the matters stated herein. My personal knowledge of the matters stated herein was derived from my direct participation in matters of direct relevance to this proceeding.
3. I was a business partner of Clifford Laughton for about 20 years, from 2001 until his death in July 2020. We worked together on many different business projects, and I served as his computer and technology consultant. During the time I knew him, we communicated regularly about both business and personal affairs.

4. I knew Cliff very well, as a friend and business associate. Throughout our relationship, I was aware of his living arrangements. During the 20 years before his passing, Cliff was a permanent resident of Hawaii and was never a permanent resident, or even part-time resident, of Nevada.

5. For the last 10 years of his life, Cliff lived and worked out of his homes in Honolulu. Although he had offices at Executive Centre, he preferred to work out of his home for health reasons.

AFFIRMATION (Pursuant to NRS239B.030)

The undersigned does hereby affirm that the preceding document filed in this court does not contain the social security number of any person.

Date: 6 May 21

Steven Rose
Steven Rose

SUBSCRIBED and SWORN to before me this 6th day of May, 2021.

P. O. Quatary
Notary Public Brenda A. Quatary



See return.

Notary Public Certification
Attest: I, Steven W. Rose
in support of motion to Revoke letters Testamentary &
to Revoke Probate For Lack of Jurisdiction under NRS 136 010 et seq.
P. O. Quatary
5/6/2021

State of Hawaii)

SS:

County of Maui)

On this 6th day of May 2021 before me,
appeared Steven Rose to me known to be
the person(s) described in and who executed the foregoing
instrument, and acknowledged that he executed
the same as his free act and deed.

P. O. Wong
Brenda A. Chung
Notary Public, State of Hawaii



My Commission Expires: 11/27/2021

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EXHIBIT PAGE ONLY

EXHIBIT 6

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

Attorneys for Ann Rafael-Straka

IN THE MATTER OF THE ESTATE OF)	CASE NO. PR20-00415
)	
CLIFFORD LAUGHTON, DECEASED.)	Dept No: PR

**AFFIDAVIT OF ANN RAFAEL-STRAKA IN SUPPORT OF
MOTION TO REVOKE LETTERS TESTAMENTARY AND TO REVOKE
PROBATE FOR LACK OF JURISDICTION UNDER NRS 136.010 et seq.**

[illegible]

I, ANN RAFAEL-STRAKA, being first duly sworn on oath, hereby state and affirm as follows:

1. I am currently a resident of Clark County, State of Nevada, but I previously lived and worked in Honolulu, HI for more than 15 years, through 2020.
2. This affidavit is made on personal knowledge and I am otherwise competent to testify to the matters stated herein. My personal knowledge of the matters stated herein was derived from my direct participation or direct observance of the matters discussed herein.
3. I worked for Clifford Laughton and his companies for about 15 years, and knew him very well from about 2009 until his death in July 2020. My office was located in Executive Centre, Honolulu, HI, and my position was largely that of an executive assistant and office manager, although my official title was Chief Financial Officer. During the time I knew Cliff, we grew very

close, communicating regularly by phone and email several times per day and often seven days per week, about both business and personal issues.

4. As one of his primary employees, I knew Cliff as a business associate, but also as a close friend. I was aware of most aspects of his private life and personal living arrangements. During the first few years of my employment, Cliff told me that he was a resident of Nevada, and directed me to advise his tax accountant, Reid Tatsuguchi, that he was a resident of Nevada. I followed his directions, but by 2009, during the litigation with his sons, I came to understand that Cliff was actually a full-time resident of Hawaii.

5. As I grew to know Cliff better, I became aware of his living arrangements and travels. Based on my observations, I can say with complete confidence that from 2009 until his death in July 2020, Cliff was a permanent resident of Hawaii residing with his life partner, Jackie Takeshita, in 4 separate homes in the following order: 1) 619 Puuikena Drive, Honolulu, HI 96821; 2) 1088 Bishop Street, Unit 4006, Honolulu, HI 96813; 3) 4747 Farmers Road, Honolulu, HI 96816; and 4) 611 Puuikena Drive, Honolulu, HI 96821. During this time, Cliff was never a permanent or part-time resident of Nevada.

6. In 2016, Cliff purchased 611 Puuikena and I informed the tax accountant, Reid Tatsuguchi, that Cliff was actually a full time Hawaii resident, and this is reflected in Cliff's Federal and Hawaii Income Tax returns for those years.

7. For the last 10 years of his life, Cliff lived and worked out of his homes in Honolulu. Although he had offices at Executive Centre, he preferred to work out of his home for health reasons.

AFFIRMATION (Pursuant to NRS239B.030)

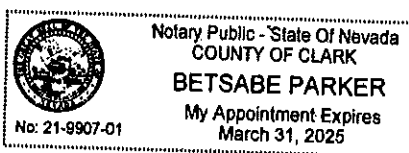
The undersigned does hereby affirm that the preceding document filed in this court does not contain the social security number of any person.

Date: 5-6-21

Ann R. Straka
Ann Rafael-Straka

SUBSCRIBED and SWORN to before me this 6 day of May, 2021.

Betsabe Parker
Notary Public



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EXHIBIT PAGE ONLY

EXHIBIT 7

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

Taxpayer Name Clifford Laughton
 Spouse Name _____

DO NOT SUBMIT THIS DOCUMENT TO IRS UNLESS REQUESTED TO DO SO

ERO Declaration

I declare that the information contained in this electronic tax return is the information furnished to me by the taxpayer. If the taxpayer furnished me a completed tax return, I declare that the information contained in this electronic tax return is identical to that contained in the return provided by the taxpayer. If the furnished return was signed by a paid preparer, I declare I have entered the paid preparer's identifying information in the appropriate portion of this electronic return. If I am the paid preparer, under the penalties of perjury I declare that I have examined this electronic return, and to the best of my knowledge and belief, it is true, correct, and complete. This declaration is based on all information of which I have any knowledge.

ERO Signature

I am signing this Tax Return by entering my PIN below.

ERO's PIN 99028211094

Taxpayer Declarations

Perjury Statement

Under penalties of perjury, I declare that I have examined this return, including any accompanying statements and schedules and, to the best of my knowledge and belief, it is true, correct, and complete.

Consent to Disclosure

I consent to allow my Intermediate Service Provider, transmitter, or Electronic Return Originator (ERO) to send my return to IRS and to receive the following information from IRS: a) an acknowledgment of receipt or reason for rejection of transmission; b) the reason for any delay in processing or refund; and, c) the date of any refund.

Electronic Funds Withdrawal Consent

If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an ACH Electronic Funds Withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of my Federal taxes owed on this return and/or a payment of estimated tax, and the financial institution to debit the entry to this account. I further understand that this authorization may apply to future Federal tax payments that I direct to be debited through the Electronic Federal Tax Payment System (EFTPS). I authorize EFTPS to issue me a personal identification number (PIN) to access EFTPS. This authorization is to remain in full force and effect until I notify the U.S. Treasury Financial Agent to terminate the authorization. To request that my PIN be mailed to me, or to revoke (cancel) a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537. Payment cancellation requests must be received no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I further acknowledge that the personal identification number (PIN) below is my signature for my electronic income tax return and, if applicable, my Electronic Funds Withdrawal consent.

I am signing this Tax Return/Form and Electronic Funds Withdrawal Consent, if applicable, by entering my Self-Select PIN below.

Date (all numerics) 10/11/17

Taxpayer's PIN (enter five numbers, other than all zeroes)

Spouse's PIN (enter five numbers, other than all zeroes)

Form 1310 Signature and Verification

Completion of this section indicates that I am requesting a refund of taxes overpaid by or on behalf of the decedent. Under penalties of perjury, I declare that I have examined this Form 1310 claim, and to the best of my knowledge and belief, it is true, correct and complete.

Signature of person claiming refund _____

Date _____

Form 1040 U.S. Individual Income Tax Return 2016		Department of the Treasury—Internal Revenue Service (99)	
For the year Jan 1–Dec 31, 2016, or other tax year 2016		See separate instructions	
Your first name and initial Clifford	Last name Laughton	Your social security number <div style="background-color: black; width: 150px; height: 20px;"></div>	
If a joint return, spouse's first name and initial	Last name	Spouse's social security number	
Home address (number and street). If you have a P.O. box, see instructions. 18124 Wedge Pkwy		Apt no 456	Make sure the SSN(s) above and on line 6c are correct
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). Reno NV 89511		Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. <input type="checkbox"/> You <input type="checkbox"/> Spouse	
Foreign country name		Foreign province/state/county	
Foreign postal code			
Filing Status			
1 <input checked="" type="checkbox"/> Single 2 <input type="checkbox"/> Married filing jointly (even if only one had income) 3 <input type="checkbox"/> Married filing separately. Enter spouse's SSN above and full name here ▶ 4 <input type="checkbox"/> Qualifying widow(er) with dependent child 5 <input type="checkbox"/> Qualifying widow(er) with dependent child			
Check only one box.			
Exemptions			
6a <input checked="" type="checkbox"/> Yourself. If someone can claim you as a dependent, do not check box 6a. b <input type="checkbox"/> Spouse			
c Dependents:			
(1) First name Last name (2) Dependent's social security number (3) Dependent's relationship to you (4) <input type="checkbox"/> under age 17 <input type="checkbox"/> under age 17 qual for child tax credit			
If more than four dependents, see instructions and check here ▶ <input type="checkbox"/>			
d Total number of exemptions claimed 1			
Income			
7 Wages, salaries, tips, etc. Attach Form(s) W-2 249,500			
8a Taxable interest. Attach Schedule B if required 589			
b Tax-exempt interest. Do not include on line 8a			
9a Ordinary dividends. Attach Schedule B if required			
b Qualified dividends			
10 Taxable refunds, credits, or offsets of state and local income taxes 2,134			
11 Alimony received			
12 Business income or (loss). Attach Schedule C or C-EZ -4,433			
13 Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶ 656,296			
14 Other gains or (losses). Attach Form 4797			
15a IRA distributions 15a Taxable amount 15b			
16a Pensions and annuities 16a Taxable amount 16b			
17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E			
18 Farm income or (loss). Attach Schedule F			
19 Unemployment compensation			
20a Social security benefits 30,933 20a Taxable amount 20b 26,293			
21 Other income. List type and amount			
22 Combine the amounts in the far right column for lines 7 through 21. This is your total income 938,985			
Adjusted Gross Income			
23 Educator expenses			
24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ			
25 Health savings account deduction. Attach Form 8889			
26 Moving expenses. Attach Form 3903			
27 Deductible part of self-employment tax. Attach Schedule SE 56			
28 Self-employed SEP, SIMPLE, and qualified plans			
29 Self-employed health insurance deduction			
30 Penalty on early withdrawal of savings			
31a Alimony paid b Recipient's SSN ▶			
32 IRA deduction			
33 Student loan interest deduction			
34 Tuition and fees. Attach Form 8917			
35 Domestic production activities deduction. Attach Form 8903			
36 Add lines 23 through 35			
37 Subtract line 36 from line 22. This is your adjusted gross income 938,929			

Form 1040 **Clifford Laughton**

38 Amount from line 37 (adjusted gross income)		38	938,929
Tax and Credits	39a Check <input checked="" type="checkbox"/> You were born before January 2, 1952, <input type="checkbox"/> Blind. <input type="checkbox"/> Spouse was born before January 2, 1952, <input type="checkbox"/> Blind. Total boxes checked 39a 1		
	b If your spouse itemizes on a separate return or you were a dual-status alien, check here 39b		
Standard Deduction for— • People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions • All others: Single or Married filing separately, \$6,300 Married filing jointly or Qualifying widow(er), \$12,600 Head of household, \$9,300	40 Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	113,334
	41 Subtract line 40 from line 38	41	825,595
	42 Exemptions. If line 38 is \$155,650 or less, multiply \$4,050 by the number on line 6d. Otherwise, see instructions	42	0
	43 Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	825,595
	44 Tax (see instr.). Check if any from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972 c <input type="checkbox"/>	44	162,968
	45 Alternative minimum tax (see instructions). Attach Form 6251	45	21,788
	46 Excess advance premium tax credit repayment. Attach Form 8962	46	
	47 Add lines 44, 45, and 46	47	184,756
	48 Foreign tax credit. Attach Form 1116 if required	48	
	49 Credit for child and dependent care expenses. Attach Form 2441	49	
50 Education credits from Form 8863, line 19	50		
51 Retirement savings contributions credit. Attach Form 8880	51		
52 Child tax credit. Attach Schedule 8812, if required	52		
53 Residential energy credits. Attach Form 5695	53		
54 Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	54		
55 Add lines 48 through 54. These are your total credits	55		
56 Subtract line 55 from line 47. If line 55 is more than line 47, enter -0-	56	184,756	
57 Self-employment tax. Attach Schedule SE	57	112	
58 Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	58		
59 Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	59		
60a Household employment taxes from Schedule H	60a		
b First-time homebuyer credit repayment. Attach Form 5405 if required	60b		
61 Health care: individual responsibility (see instructions) Full-year coverage <input checked="" type="checkbox"/>	61		
62 Taxes from: a <input checked="" type="checkbox"/> Form 8959 b <input checked="" type="checkbox"/> Form 8960 c <input type="checkbox"/> Instructions; enter code(s)	62	28,560	
63 Add lines 56 through 62. This is your total tax	63	213,428	
Payments If you have a qualifying child, attach Schedule EIC	64 Federal income tax withheld from Forms W-2 and 1099	64	65,897
	65 2016 estimated tax payments and amount applied from 2015 return	65	
	66a Earned income credit (EIC)	66a	
	b Nontaxable combat pay election 66b		
	67 Additional child tax credit. Attach Schedule 8812	67	
	68 American opportunity credit from Form 8863, line 8	68	
	69 Net premium tax credit. Attach Form 8962	69	
	70 Amount paid with request for extension to file	70	150,000
	71 Excess social security and tier 1 RRTA tax withheld	71	
	72 Credit for federal tax on fuels. Attach Form 4136	72	
73 Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> Reserved c <input type="checkbox"/> 8885 d <input type="checkbox"/>	73		
74 Add lines 64, 65, 66a, and 67 through 73. These are your total payments	74	215,897	
Refund	75 If line 74 is more than line 63, subtract line 63 from line 74. This is the amount you overpaid	75	2,469
76a Amount of line 75 you want refunded to you. If Form 8888 is attached, check here	76a		
b Routing number <input type="text"/> c Type <input type="checkbox"/> Checking <input type="checkbox"/> Savings			
d Account number <input type="text"/>			
77 Amount of line 75 you want applied to your 2017 estimated tax	77	2,249	
Amount	78 Amount you owe. Subtract line 74 from line 63. For details on how to pay, see instructions	78	
You Owe	79 Estimated tax payable (see instructions)	79	220
Do you want to allow another person to discuss this return with the IRS (see instructions)? <input checked="" type="checkbox"/> Yes. Complete below <input type="checkbox"/> No			
Third Party Designee	Designee's name Russell K Yamamoto	Personal identification number (PIN) 11094	Phone no 808-589-2100
Sign Here	Your signature Administrator	Date 10/11/17	Daytime phone number P01266595
	Spouse's signature: If a joint return, both must sign	Date	Spouse's occupation
Print/Type preparer's name Russell K Yamamoto		Preparer's signature	Check <input type="checkbox"/> if self-employed
Paid	Firm's name Tatsuguchi CPA LLC	Firm's EIN 20-1767081	
Preparer Use Only	Firm's address 1314 S King St Ste 662 Honolulu HI 96814-1941	Phone no 808-589-2100	

SCHEDULE A
(Form 1040)Department of the Treasury
Internal Revenue Service

Name(s) shown on Form 1040

Itemized Deductions► Information about Schedule A and its separate instructions is at www.irs.gov/schedulea.

► Attach to Form 1040.

OMB No. 1545-0047

2016Attachment
Schedule No. **07**

Your social security number

Clifford Loughton**Medical
and
Dental
Expenses****Caution:** Do not include expenses reimbursed or paid by others

- 1 Medical and dental expenses (see instructions)
- 2 Enter amount from Form 1040, line 38 **2** **938,929**
- 3 Multiply line 2 by 10% (10). But if either you or your spouse was born before January 2, 1952, multiply line 2 by 7.5% (0.075) instead
- 4 Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-

1

3 **70,420**

4

**Taxes You
Paid**

- 5 State and local (check only one box):

- a ☒ Income taxes, or
- b ☐ General sales taxes }

- 6 Real estate taxes (see instructions)
- 7 Personal property taxes
- 8 Other taxes List type and amount ►

5 **82,205**

6 **6,567**

7

8

- 9 Add lines 5 through 8

88,772**Interest
You Paid****Note:**
Your mortgage
interest
deduction may
be limited (see
instructions)

- 10 Home mortgage interest and points reported to you on Form 1098
- 11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address ►
- 12 Points not reported to you on Form 1098. See instructions for special rules
- 13 Mortgage insurance premiums (see instructions)
- 14 Investment interest. Attach Form 4952 if required (See instructions.)
- 15 Add lines 10 through 14

10 **44,368**

11

12

13

14

15

44,368**Gifts to
Charity**If you made a
gift and got a
benefit for it,
see instructions.

- 16 Gifts by cash or check. If you made any gift of \$250 or more, see instructions
- 17 Other than by cash or check. If any gift of \$250 or more, see instructions. You **must** attach Form 8283 if over \$500
- 18 Carryover from prior year
- 19 Add lines 16 through 18

16

17 **580**

18

19

580**Casualty and
Theft Losses**

- 20 Casualty or theft losses. Attach Form 4684. (See instructions.)

20

**Job Expenses
and Certain
Miscellaneous
Deductions**

- 21 Unreimbursed employee expense—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required (See instructions.) ►
- 22 Tax preparation fees
- 23 Other expenses—investment, safe deposit box, etc. List type and amount ►

21

22

23

24

25 **938,929**

26 **18,779**

27

- 24 Add lines 21 through 23

- 25 Enter amount from Form 1040, line 38
- 25**

- 26 Multiply line 25 by 2% (0.02)

- 27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-

**Other
Miscellaneous
Deductions**

- 28 Other—from list in instructions. List type and amount ►

28

**Total
Itemized
Deductions**

- 29 Is Form 1040, line 38, over \$155,650?

☐ **No.** Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40.

☒ **Yes.** Your deduction may be limited. See the Itemized Deductions Worksheet in the instructions to figure the amount to enter.

- 30 If you elect to itemize deductions even though they are less than your standard deduction, check here

*** Limited by AGI** ► ☐

*

29

113,334

For Paperwork Reduction Act Notice, see Form 1040 instructions.

Schedule A (Form 1040) 2016

SCHEDULE C
(Form 1040)Department of the Treasury
Internal Revenue Service**Profit or Loss From Business**

(Sole Proprietorship)

OMB No 1545-0074

2016Attachment No **09**► Information about Schedule C and its separate instructions is at www.irs.gov/schedulec.
► Attach to Form 1040, 1040NR, or 1041, partnerships generally must file Form 1065.

Name of proprietor

Clifford Laughton

Social security number (SSN)

B Enter code from instructions

531100

A Principal business or profession, including product or service (see instructions)

Rental Real Estate

C Business name. If no separate business name, leave blank.

Executive Centre Apartments LLC

D Employer ID number (EIN), (see instr.)

35-2452476

E Business address (including suite or room no.) ►

1088 Bishop St Ste 4100

City, town or post office state and ZIP code

Honolulu

HI 96813

F Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ►

G Did you "materially participate" in the operation of this business during 2016? If "No," see instructions for limit on losses

Yes ☐ No ☒

H If you started or acquired this business during 2016, check here

I Did you make any payments in 2016 that would require you to file Form(s) 1099? (see instructions)

Yes ☐ No ☒

J If "Yes," did you or will you file required Forms 1099?

Yes ☐ No ☐**Part I Income**

1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked	<input type="checkbox"/>	1	2,245,840
2	Returns and allowances		2	
3	Subtract line 2 from line 1		3	2,245,840
4	Cost of goods sold (from line 42)		4	
5	Gross profit. Subtract line 4 from line 3		5	2,245,840
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	See Stmt 1	6	27,327
7	Gross income. Add lines 5 and 6		7	2,273,167

Part II Expenses. Enter expenses for business use of your home only on line 30.

8	Advertising	8		18	Office expense (see instructions)	18	2,694
9	Car and truck expenses (see instructions)	9		19	Pension and profit-sharing plans	19	
10	Commissions and fees	10		20	Rent or lease (see instructions):		
11	Contract labor (see instructions)	11		a	Vehicles, machinery, and equipment	20a	
12	Depletion	12		b	Other business property	20b	285,988
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	282,736	21	Repairs and maintenance	21	38,183
14	Employee benefit programs (other than on line 19)	14		22	Supplies (not included in Part III)	22	14,483
15	Insurance (other than health)	15	12,921	23	Taxes and licenses	23	227,291
16	Interest:			24	Travel, meals, and entertainment:		
a	Mortgage (paid to banks, etc.)	16a		a	Travel	24a	
b	Other	16b	333,612	b	Deductible meals and entertainment (see instructions)	24b	
17	Local and professional services	17	23,513	25	Utilities	25	1,931
28	Total expenses before expenses for business use of home. Add lines 8 through 27a			26	Wages (less employment credits)	26	
29	Tentative profit or (loss). Subtract line 28 from line 7			27a	Other expenses (from line 48)	27a	823,064
30	Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions)			27b	Reserved for future use	27b	
	Simplified method filers only: enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30			28		28	2,046,416
31	Net profit or (loss). Subtract line 30 from line 29.			29		29	226,751
	• If a profit, enter on both Form 1040, line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2 . (If you checked the box on line 1, see instructions) Estates and trusts, enter on Form 1041, line 3 .			30			
	• If a loss, you must go to line 32.			31			-4,433
32	If you have a loss, check the box that describes your investment in this activity (see instructions).						
	• If you checked 32a, enter the loss on both Form 1040, line 12 , (or Form 1040NR, line 13) and on Schedule SE, line 2 . (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3 .						
	• If you checked 32b, you must attach Form 6198 . Your loss may be limited						

PAL

32a ☒ All investment is at risk
32b ☐ Some investment is not at risk

Clifford LaughtonSchedule C (Form 1040) 2016 **Rental Real Estate**Page **2****Part III Cost of Goods Sold** (see instructions)

33 Method(s) used to value closing inventory: **a** ☐ Cost **b** ☐ Lower of cost or market **c** ☐ Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory?
If "Yes," attach explanation

☐ Yes ☐ No

35 Inventory at beginning of year. If different from last year's closing inventory, attach explanation

35

36 Purchases less cost of items withdrawn for personal use

36

37 Cost of labor. Do not include any amounts paid to yourself

37

38 Materials and supplies

38

39 Other costs

39

40 Add lines 35 through 39

40

41 Inventory at end of year

41

42 **Cost of goods sold.** Subtract line 41 from line 40. Enter the result here and on line 4

42

Part IV Information on Your Vehicle. Complete this part only if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year) ►

44 Of the total number of miles you drove your vehicle during 2016, enter the number of miles you used your vehicle for:

a Business **b** Commuting (see instructions) **c** Other

45 Was your vehicle available for personal use during off-duty hours?

☐ Yes ☐ No

46 Do you (or your spouse) have another vehicle available for personal use?

☐ Yes ☐ No

47a Do you have evidence to support your deduction?

☐ Yes ☐ No

b If "Yes," is the evidence written?

☐ Yes ☐ No

Part V Other Expenses. List below business expenses not included on lines 8-26 or line 30

Bank Service Charge

645

Loan Fees

Maintenance Fees

583,912

Miscellaneous

-499

Outside Services

237,179

Telephone

1,573

Amortization

254

48 **Total other expenses.** Enter here and on line 27a

48 823,064

**SCHEDULE D
(Form 1040)**Department of the Treasury
Internal Revenue Service (99)**Capital Gains and Losses**

▶ Attach to Form 1040 or Form 1040NR.

▶ Information about Schedule D and its separate instructions is at www.irs.gov/scheduled

▶ Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.

OMB No. 1545-0074

2016Attachment
Sequence No. **12**

Name(s) shown on return

Clifford Laughton

Your social security number

[REDACTED]

Part I Short-Term Capital Gains and Losses — Assets Held One Year or Less

See instructions for how to figure the amounts to enter on the lines below

This form may be easier to complete if you round off cents to whole dollars

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b.				
1b Totals for all transactions reported on Form(s) 8949 with Box A checked				
2 Totals for all transactions reported on Form(s) 8949 with Box B checked				
3 Totals for all transactions reported on Form(s) 8949 with Box C checked				
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824				4
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				5
6 Short-term capital loss carryover. Enter the amount, if any, from line 8 of your Capital Loss Carryover Worksheet in the instructions				6
7 Net short-term capital gain or (loss). Combine lines 1a through 6 in column (h). If you have any long-term capital gains or losses, go to Part II below. Otherwise, go to Part III on the back				7 0

Part II Long-Term Capital Gains and Losses — Assets Held More Than One Year

See instructions for how to figure the amounts to enter on the lines below

This form may be easier to complete if you round off cents to whole dollars

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b.				
8b Totals for all transactions reported on Form(s) 8949 with Box D checked				
9 Totals for all transactions reported on Form(s) 8949 with Box E checked				
10 Totals for all transactions reported on Form(s) 8949 with Box F checked				
11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824				11 656,296
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				12
13 Capital gain distributions. See the instructions				13
14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your Capital Loss Carryover Worksheet in the instructions				14
15 Net long-term capital gain or (loss). Combine lines 8a through 14 in column (h). Then go to Part III on the back				15 656,296

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule D (Form 1040) 2016

Clifford Laughton

Schedule D (Form 1040) 2016

Page **2****Part III Summary**

16	Combine lines 7 and 15 and enter the result	16	656,296
	<ul style="list-style-type: none"> • If line 16 is a gain, enter the amount from line 16 on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 17 below. • If line 16 is a loss, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22 • If line 16 is zero, skip lines 17 through 21 below and enter -0- on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 22. 		
17	Are lines 15 and 16 both gains?		
	<input checked="" type="checkbox"/> Yes. Go to line 18		
	<input type="checkbox"/> No. Skip lines 18 through 21, and go to line 22.		
18	Enter the amount, if any, from line 7 of the 28% Rate Gain Worksheet in the instructions	18	
19	Enter the amount, if any, from line 18 of the Unrecaptured Section 1250 Gain Worksheet in the instructions	19	71,120
20	Are lines 18 and 19 both zero or blank?		
	<input type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42). Don't complete lines 21 and 22 below.		
	<input checked="" type="checkbox"/> No. Complete the Schedule D Tax Worksheet in the instructions. Don't complete lines 21 and 22 below.		
21	If line 16 is a loss, enter here and on Form 1040, line 13, or Form 1040NR, line 14, the smaller of:	21	
	<ul style="list-style-type: none"> • The loss on line 16 or • (\$3,000), or if married filing separately, (\$1,500) 		
	Note: When figuring which amount is smaller, treat both amounts as positive numbers.		
22	Do you have qualified dividends on Form 1040, line 9b, or Form 1040NR, line 10b?		
	<input type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42).		
	<input type="checkbox"/> No. Complete the rest of Form 1040 or Form 1040NR		

Schedule D (Form 1040) 2016

**SCHEDULE F
(Form 1040)**Department of the Treasury
Internal Revenue Service**Profit or Loss From Farming**

▶ Attach to Form 1040, Form 1040NR, Form 1041, Form 1065, or Form 1065-B.
▶ Information about Schedule F and its separate instructions is at www.irs.gov/schedulef.

OMB No 1545-0074

2016Attachment
Sequence No**14**

Name of proprietor

Social security number (SSN)

Clifford Laughton**A** Principal crop or activity**Wine Grapes****B** Enter code from Part IV**111900****C** Accounting method:☒ Cash ☐ Accrual**D** Employer ID number (EIN), (see instr.)**46-5732910****E** Did you "materially participate" in the operation of this business during 2016? If "No," see instructions for limit on passive losses.☒ Yes ☐ No**F** Did you make any payments in 2016 that would require you to file Form(s) 1099 (see instructions)?☐ Yes ☒ No**G** If "Yes," did you or will you file required Forms 1099?☐ Yes ☐ No**Part I Farm Income – Cash Method. Complete Parts I and II (Accrual method. Complete Parts II and III, and Part I, line 9.)**

1a Sales of livestock and other resale items (see instructions)	1a		1c	
b Cost or other basis of livestock or other items reported on line 1a	1b		2	18 474
c Subtract line 1b from line 1a				
2 Sales of livestock, produce, grains, and other products you raised			3b Taxable amount	
3a Cooperative distributions (Form(s) 1099-PATR)	3a		4b Taxable amount	
4a Agricultural program payments (see instructions)	4a		5a	
5a Commodity Credit Corporation (CCC) loans reported under election			5c Taxable amount	
b CCC loans forfeited	5b		6b Taxable amount	
6 Crop insurance proceeds and federal crop disaster payments (see instructions)			6d Amount deferred from 2015	
a Amount received in 2016	6a		7	
c If election to defer to 2017 is attached, check here <input type="checkbox"/>			8	
7 Custom hire (machine work) income			9	18 474
8 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)				
9 Gross income. Add amounts in the right column (lines 1c, 2, 3b, 4b, 5a, 5c, 6b, 6d, 7, and 8). If you use the accrual method, enter the amount from Part III, line 50 (see instructions)				

Part II Farm Expenses – Cash and Accrual Method. Do not include personal or living expenses (see instructions).

10 Car and truck expenses (see instructions). Also attach Form 4562	10		23 Pension and profit-sharing plans	23	
11 Chemicals	11		24 Rent or lease (see instructions):		
12 Conservation expenses (see instructions)	12		a Vehicles, machinery, equipment	24a	
13 Custom hire (machine work)	13		b Other (land, animals, etc.)	24b	
14 Depreciation and section 179 expense (see instructions)	14		25 Repairs and maintenance	25	
15 Employee benefit programs other than on line 23	15		26 Seeds and plants	26	
16 Feed	16		27 Storage and warehousing	27	
17 Fertilizers and lime	17		28 Supplies	28	
18 Freight and trucking	18		29 Taxes	29	20
19 Gasoline, fuel, and oil	19		30 Utilities	30	819
20 Insurance (other than health)	20	3,172	31 Veterinary, breeding, and medicine	31	
21 Interest:			32 Other expenses (specify):		
a Mortgage (paid to banks, etc.)	21a		a Dues & Subscription	32a	500
b Other	21b		b Outside services	32b	5,357
22 Labor hired (less employment credits)	22		c	32c	
			d	32d	
			e	32e	
			f	32f	
33 Total expenses. Add lines 10 through 32f. If line 32f is negative, see instructions			33		9,868
34 Net farm profit or (loss). Subtract line 33 from line 9			34		8,606

If a profit, stop here and see instructions for where to report. If a loss, complete lines 35 and 36.

35 Did you receive an applicable subsidy in 2016? (see instructions)☐ Yes ☐ No**36** Check the box that describes your investment in this activity and see instructions for where to report your loss**a** ☐ All investment is at risk **b** ☐ Some investment is not at risk

For Paperwork Reduction Act Notice, see the separate instructions.

Schedule F (Form 1040) 2016

Name of person with self-employment income (as shown on Form 1040 or Form 1040NR)
Clifford LaughtonSocial security number of person with self-employment income ▶ XXXXXXXXXX**Section B — Long Schedule SE****Part I Self-Employment Tax****Note.** If your only income subject to self-employment tax is **church employee income**, see instructions. Also see instructions for the definition of church employee income

- A** If you are a minister, member of a religious order, or Christian Science practitioner **and** you filed Form 4361, but you had \$400 or more of **other** net earnings from self-employment, check here and continue with Part I ▶ ☐

1a Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A. **Note.** Skip lines 1a and 1b if you use the farm optional method (see instructions)

1a	8,606
-----------	--------------

b If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code Z

1b	
-----------	--

2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see instructions for types of income to report on this line. See instructions for other income to report. **Note.** Skip this line if you use the nonfarm optional method (see instructions)

2	-4,433
----------	---------------

3 Combine lines 1a, 1b, and 2

3	4,173
----------	--------------

4a If line 3 is more than zero, multiply line 3 by 92.35% (0.9235). Otherwise, enter amount from line 3

4a	3,854
-----------	--------------

Note. If line 4a is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions.

b If you elect one or both of the optional methods, enter the total of lines 15 and 17 here

4b	
-----------	--

c Combine lines 4a and 4b. If less than \$400, **stop**; you do not owe self-employment tax

Exception. If less than \$400 and you had **church employee income**, enter -0- and continue

4c	3,854
-----------	--------------

5a Enter your **church employee income** from Form W-2. See instructions for definition of church employee income

5a	
-----------	--

b Multiply line 5a by 92.35% (0.9235). If less than \$100, enter -0-

5b	0
-----------	----------

6 Add lines 4c and 5b

6	3,854
----------	--------------

7 Maximum amount of combined wages and self-employment earnings subject to social security tax or the 6.2% portion of the 7.65% railroad retirement (tier 1) tax for 2016

7	118,500
----------	----------------

8a Total social security wages and tips (total of boxes 3 and 7 on Form(s) W-2) and railroad retirement (tier 1) compensation. If \$118,500 or more, skip lines 8b through 10, and go to line 11

8a	118,500
-----------	----------------

b Unreported tips subject to social security tax (from Form 4137, line 10)

8b	
-----------	--

c Wages subject to social security tax (from Form 8919, line 10)

8c	
-----------	--

d Add lines 8a, 8b, and 8c

8d	
-----------	--

9 Subtract line 8d from line 7. If zero or less, enter -0- here and on line 10 and go to line 11

9	
----------	--

10 Multiply the **smaller** of line 6 or line 9 by 12.4% (0.124)

10	
-----------	--

11 Multiply line 6 by 2.9% (0.029)

11	112
-----------	------------

12 Self-employment tax. Add lines 10 and 11. Enter here and on Form 1040, line 57, or Form 1040NR, line 55

12	112
-----------	------------

13 Deduction for one-half of self-employment tax.

Multiply line 12 by 50% (0.50). Enter the result here and on Form 1040, line 27, or Form 1040NR, line 27

13	
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56	
-----------	--

Part II Optional Methods To Figure Net Earnings (see instructions)

Farm Optional Method. You may use this method **only** if (a) your gross farm income¹ was not more than \$7,560, **or** (b) your net farm profits² were less than \$5,457.

14 Maximum income for optional methods

14	5,040
-----------	--------------

15 Enter the **smaller** of: two-thirds (²/₃) of gross farm income¹ (not less than zero) **or** \$5,040. Also include this amount on line 4b above

15	
-----------	--

Nonfarm Optional Method. You may use this method **only** if (a) your net nonfarm profits² were less than \$5,457 and also less than 72.189% of your gross nonfarm income,⁴ **and** (b) you had net earnings from self-employment of at least \$400 in 2 of the prior 3 years. **Caution.** You may use this method no more than five times.

16 Subtract line 15 from line 14

16	
-----------	--

17 Enter the **smaller** of: two-thirds (²/₃) of gross nonfarm income⁴ (not less than zero) **or** the amount on line 16. Also include this amount on line 4b above

17	
-----------	--

¹ From Sch. F, line 9, and Sch. K-1 (Form 1065), box 14, code B.

² From Sch. F, line 34, and Sch. K-1 (Form 1065), box 14, code A — minus the amount you would have entered on line 1b had you not used the optional method.

³ From Sch. C, line 31; Sch. C-EZ, line 3; Sch. K-1 (Form 1065), box 14, code A; and Sch. K-1 (Form 1065-B), box 9, code J1.

⁴ From Sch. C, line 7; Sch. C-EZ, line 1; Sch. K-1 (Form 1065), box 14, code C; and Sch. K-1 (Form 1065-B), box 9, code J2.

Form **4797**

Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts
Under Sections 179 and 280F(b)(2))

▶ Attach to your tax return.

▶ Information about Form 4797 and its separate instructions is at www.irs.gov/form4797.

OMB No. 1545-0047

2016Attachment
Sequence No **27**Department of the Treasury
Internal Revenue Service

Name(s) shown on return

Identifying number

Clifford Laughton

1 Enter the gross proceeds from sales or exchanges reported to you for 2016 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20. See instructions.

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft—Most Property Held More Than 1 Year (see instructions)

2	(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)

3 Gain, if any, from Form 4684, line 39**4** Section 1231 gain from installment sales from Form 6252, line 26 or 37**5** Section 1231 gain or (loss) from like-kind exchanges from Form 8824**6** Gain, if any, from line 32, from other than casualty or theft**7** Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows:

Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.

Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you didn't have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.

8 Nonrecaptured net section 1231 losses from prior years. See instructions

9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return. See instructions.

Part II Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less).

11 Loss, if any, from line 7**12** Gain, if any, from line 7 or amount from line 8, if applicable**13** Gain, if any, from line 31**14** Net gain or (loss) from Form 4684, lines 31 and 38a**15** Ordinary gain from installment sales from Form 6252, line 25 or 36**16** Ordinary gain or (loss) from like-kind exchanges from Form 8824**17** Combine lines 10 through 16

18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:

a If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from "Form 4797, line 18a." See instructions.

b Determine the gain or (loss) on line 17, excluding the loss, if any, on line 11a. Enter here and on Form 1040, line 14.

For Paperwork Reduction Act Notice, see separate instructions.

Form **4797** (2016)

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255

(See instructions.)

19 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:		(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)
A Parking Stall		09/19/12	04/20/16
B Building Units		09/19/12	04/20/16
C			
D			
These columns cover the properties on lines 19A through 19D.		Property A	Property B
20 Gross sales price (Note: See line 1 before completing.)	20	240,259	1,001,389
21 Cost or other basis plus expense of sale	21	127,025	529,447
22 Depreciation (or depletion) allowed or allowable	22	10,291	60,829
23 Adjusted basis. Subtract line 22 from line 21	23	116,734	468,618
24 Total gain. Subtract line 23 from line 20	24	123,525	532,771
25 If section 1245 property:			
a Depreciation allowed or allowable from line 22	25a		
b Enter the smaller of line 24 or 25a	25b		
26 If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291			
a Additional depreciation after 1975. See instructions	26a		
b Applicable percentage multiplied by the smaller of line 24 or line 26a. See instructions	26b		
c Subtract line 26a from line 24. If residential rental property or line 24 isn't more than line 26a, skip lines 26d and 26e	26c		
d Additional depreciation after 1969 and before 1976	26d		
e Enter the smaller of line 26c or 26d	26e		
f Section 291 amount (corporations only)	26f		
g Add lines 26b, 26e, and 26f	26g	0	0
27 If section 1252 property: Skip this section if you didn't dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership).			
a Soil, water, and land clearing expenses	27a		
b Line 27a multiplied by applicable percentage. See instructions	27b		
c Enter the smaller of line 24 or 27b	27c		
28 If section 1254 property:			
a Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion. See instructions	28a		
b Enter the smaller of line 24 or 28a	28b		
29 If section 1255 property:			
a Applicable percentage of payments excluded from income under section 126. See instructions	29a		
b Enter the smaller of line 24 or 29a. See instructions	29b		

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.

30 Total gains for all properties. Add property columns A through D, line 24	30	656,296
31 Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13	31	
32 Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6	32	656,296

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less

(See instructions.)

	(a) Section 179	(b) Section 280F(b)(2)
33 Section 179 expense deduction or depreciation allowable in prior years	33	
34 Recomputed depreciation. See instructions	34	
35 Recapture amount. Subtract line 34 from line 33. See the instructions for where to report.	35	

Form

6251**Alternative Minimum Tax—Individuals**

OMB No. 1545-0070

2016Attachment
Sequence No. **32**► Information about Form 6251 and its separate instructions is at www.irs.gov/form6251.

► Attach to Form 1040 or Form 1040NR.

Department of the Treasury

Name(s) shown on Form 1040 or Form 1040NR

Your social security number

Clifford Laughton**Part I Alternative Minimum Taxable Income** (See instructions for how to complete each line.)

1	If filing Schedule A (Form 1040), enter the amount from Form 1040, line 41, and go to line 2. Otherwise, enter the amount from Form 1040, line 38, and go to line 7. (If less than zero, enter as a negative amount.)	1	825,595
2	Medical and dental. If you or your spouse was 65 or older, enter the smaller of Schedule A (Form 1040), line 4, or 2.5% (0.025) of Form 1040, line 38. If zero or less, enter -0-	2	
3	Taxes from Schedule A (Form 1040), line 9	3	88,772
4	Enter the home mortgage interest adjustment, if any, from line 6 of the worksheet in the instructions for this line	4	0
5	Miscellaneous deductions from Schedule A (Form 1040), line 27	5	
6	If Form 1040, line 38, is \$155,650 or less, enter -0-. Otherwise, see instructions	6	20,386
7	Tax refund from Form 1040, line 10 or line 21	7	2,134
8	Investment interest expense (difference between regular tax and AMT)	8	
9	Depletion (difference between regular tax and AMT)	9	
10	Net operating loss deduction from Form 1040, line 21. Enter as a positive amount	10	
11	Alternative tax net operating loss deduction	11	
12	Interest from specified private activity bonds exempt from the regular tax	12	
13	Qualified small business stock, see instructions	13	
14	Exercise of incentive stock options (excess of AMT income over regular tax income)	14	
15	Estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	15	
16	Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6)	16	
17	Disposition of property (difference between AMT and regular tax gain or loss)	17	
18	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)	18	
19	Passive activities (difference between AMT and regular tax income or loss)	19	0
20	Loss limitations (difference between AMT and regular tax income or loss)	20	0
21	Circulation costs (difference between regular tax and AMT)	21	
22	Long-term contracts (difference between AMT and regular tax income)	22	
23	Mining costs (difference between regular tax and AMT)	23	
24	Research and experimental costs (difference between regular tax and AMT)	24	
25	Income from certain installment sales before January 1, 1987	25	
26	Intangible drilling costs preference	26	
27	Other adjustments, including income-based related adjustments	27	
28	Alternative minimum taxable income. Combine lines 1 through 27. (If married filing separately and line 28 is more than \$247,450, see instructions.)	28	891,847

Part II Alternative Minimum Tax (AMT)

29	Exemption (If you were under age 24 at the end of 2016, see instructions)											
<p>IF your filing status is . . . AND line 28 is not over . . . THEN enter on line 29 . . .</p> <table border="0"> <tr> <td>Single or head of household</td> <td>\$119,700</td> <td>\$53,900</td> </tr> <tr> <td>Married filing jointly or qualifying widow(er)</td> <td>159,700</td> <td>83,800</td> </tr> <tr> <td>Married filing separately</td> <td>79,850</td> <td>41,900</td> </tr> </table> <p>If line 28 is over the amount shown above for your filing status, see instructions.</p>				Single or head of household	\$119,700	\$53,900	Married filing jointly or qualifying widow(er)	159,700	83,800	Married filing separately	79,850	41,900
Single or head of household	\$119,700	\$53,900										
Married filing jointly or qualifying widow(er)	159,700	83,800										
Married filing separately	79,850	41,900										
30	Subtract line 29 from line 28. If more than zero, go to line 31. If zero or less, enter -0- here and on lines 31, 33, and 35, and go to line 34	30	891,847									
31	<ul style="list-style-type: none"> If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter. If you reported capital gain distributions directly on Form 1040, line 13; you reported qualified dividends on Form 1040, line 9b; or you had a gain on both lines 15 and 16 of Schedule D (Form 1040) (as refigured for the AMT, if necessary), complete Part III on the back and enter the amount from line 64 here. All others: If line 30 is \$186,300 or less (\$93,150 or less if married filing separately), multiply line 30 by 26% (0.26). Otherwise, multiply line 30 by 28% (0.28) and subtract \$3,726 (\$1,863 if married filing separately) from the result. 	31	184,756									
32	Alternative minimum tax foreign tax credit (see instructions)	32										
33	Tentative minimum tax. Subtract line 32 from line 31	33	184,756									
34	Add Form 1040, line 44 (minus any tax from Form 4972), and Form 1040, line 46. Subtract from the result any foreign tax credit from Form 1040, line 48. If you used Schedule J to figure your tax on Form 1040, line 44, refigure that tax without using Schedule J before completing this line (see instructions)	34	162,968									
35	AMT. Subtract line 34 from line 33. If zero or less, enter -0-. Enter here and on Form 1040, line 45	35	21,788									

For Paperwork Reduction Act Notice, see your tax return instructions.

Form **6251** (2016)

Clifford Laughton

Form 6251 (2016)

Page 2

Part III Tax Computation Using Maximum Capital Gains Rates

Complete Part III only if you are required to do so by line 31 or by the Foreign Earned Income Tax Worksheet in the instructions.

36 Enter the amount from Form 6251, line 30. If you are filing Form 2555 or 2555-EZ, enter the amount from line 3 of the worksheet in the instructions for line 31	36	891,847
37 Enter the amount from line 6 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 13 of the Schedule D Tax Worksheet in the instructions for Schedule D (Form 1040), whichever applies (as figured for the AMT, if necessary) (see instructions). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	37	585,176
38 Enter the amount from Schedule D (Form 1040), line 19 (as figured for the AMT, if necessary) (see instructions). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	38	71,120
39 If you did not complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 37. Otherwise, add lines 37 and 38, and enter the smaller of that result or the amount from line 10 of the Schedule D Tax Worksheet (as figured for the AMT, if necessary). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	39	656,296
40 Enter the smaller of line 36 or line 39	40	656,296
41 Subtract line 40 from line 36	41	235,551
42 If line 41 is \$186,300 or less (\$93,150 or less if married filing separately), multiply line 41 by 26% (0.26). Otherwise, multiply line 41 by 28% (0.28) and subtract \$3,726 (\$1,863 if married filing separately) from the result	42	62,228
43 Enter: <ul style="list-style-type: none"> • \$75,300 if married filing jointly or qualifying widow(er) • \$37,650 if single or married filing separately, or • \$50,400 if head of household 	43	37,650
44 Enter the amount from line 7 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 14 of the Schedule D Tax Worksheet in the instructions for Schedule D (Form 1040), whichever applies (as figured for the regular tax). If you did not complete either worksheet for the regular tax, enter the amount from Form 1040, line 43; if zero or less, enter -0-. If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	44	240,419
45 Subtract line 44 from line 43. If zero or less, enter -0-	45	0
46 Enter the smaller of line 36 or line 37	46	585,176
47 Enter the smaller of line 45 or line 46. This amount is taxed at 0%	47	
48 Subtract line 47 from line 46	48	585,176
49 Enter: <ul style="list-style-type: none"> • \$415,050 if single • \$233,475 if married filing separately • \$466,950 if married filing jointly or qualifying widow(er) • \$441,000 if head of household 	49	415,050
50 Enter the amount from line 45	50	0
51 Enter the amount from line 7 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 19 of the Schedule D Tax Worksheet, whichever applies (as figured for the regular tax). If you did not complete either worksheet for the regular tax, enter the amount from Form 1040, line 43; if zero or less, enter -0-. If you are filing Form 2555 or Form 2555-EZ, see instructions for the amount to enter	51	169,299
52 Add line 50 and line 51	52	169,299
53 Subtract line 52 from line 49. If zero or less, enter -0-	53	245,751
54 Enter the smaller of line 48 or line 53	54	245,751
55 Multiply line 54 by 15% (0.15)	55	36,863
56 Add lines 47 and 54	56	245,751
If lines 56 and 36 are the same, skip lines 57 through 61 and go to line 62. Otherwise, go to line 57.		
57 Subtract line 56 from line 46	57	339,425
58 Multiply line 57 by 20% (0.20)	58	67,885
If line 38 is zero or blank, skip lines 59 through 61 and go to line 62. Otherwise, go to line 59.		
59 Add lines 41, 56, and 57	59	820,727
60 Subtract line 59 from line 36	60	71,120
61 Multiply line 60 by 25% (0.25)	61	17,780
62 Add lines 42, 55, 58, and 61	62	184,756
63 If line 36 is \$185,300 or less (\$93,150 or less if married filing separately), multiply line 36 by 26% (0.26). Otherwise, multiply line 36 by 28% (0.28) and subtract \$3,726 (\$1,863 if married filing separately) from the result	63	245,991
64 Enter the smaller of line 62 or line 63 here and on line 31. If you are filing Form 2555 or 2555-EZ, do not enter this amount on line 31. Instead, enter it on line 4 of the worksheet in the instructions for line 31	64	184,756

Form 6251 (2016)

Form **8959**Department of the Treasury
Internal Revenue Service**Additional Medicare Tax**

▶ If any line does not apply to you, leave it blank. See separate instructions.

▶ Attach to Form 1040, 1040NR, 1040-PR, or 1040-SS.

▶ Information about Form 8959 and its instructions is at www.irs.gov/form8959.

OMB No 1545-0074

2016EFFECTIVE DATE
12/31/2016

71

Name(s) shown on return

Clifford Laughton

Your social security number

Part I Additional Medicare Tax on Medicare Wages

1	Medicare wages and tips from Form W-2, box 5. If you have more than one Form W-2, enter the total of the amounts from box 5	1	249,500	
2	Unreported tips from Form 4137, line 6	2		
3	Wages from Form 8919, line 6	3		
4	Add lines 1 through 3	4	249,500	
5	Enter the following amount for your filing status: Married filing jointly \$250,000 Married filing separately \$125,000 Single, Head of household, or Qualifying widow(er) \$200,000	5	200,000	
6	Subtract line 5 from line 4. If zero or less, enter -0-	6		49,500
7	Additional Medicare Tax on Medicare wages. Multiply line 6 by 0.9% (0.009). Enter here and go to Part II	7		446

Part II Additional Medicare Tax on Self-Employment Income

8	Self-employment income from Schedule SE (Form 1040), Section A, line 4, or Section B, line 6. If you had a loss, enter -0- (Form 1040-PR and Form 1040-SS filers, see instructions.)	8	3,854	
9	Enter the following amount for your filing status: Married filing jointly \$250,000 Married filing separately \$125,000 Single, Head of household, or Qualifying widow(er) \$200,000	9	200,000	
10	Enter the amount from line 4	10	249,500	
11	Subtract line 10 from line 9. If zero or less, enter -0-	11	0	
12	Subtract line 11 from line 8. If zero or less, enter -0-	12		3,854
13	Additional Medicare Tax on self-employment income. Multiply line 12 by 0.9% (0.009). Enter here and go to Part III	13		35

Part III Additional Medicare Tax on Railroad Retirement Tax Act (RRTA) Compensation

14	Railroad retirement (RRTA) compensation and tips from Form(s) W-2, box 14 (see instructions)	14		
15	Enter the following amount for your filing status: Married filing jointly \$250,000 Married filing separately \$125,000 Single, Head of household, or Qualifying widow(er) \$200,000	15	200,000	
16	Subtract line 15 from line 14. If zero or less, enter -0-	16		0
17	Additional Medicare Tax on railroad retirement (RRTA) compensation. Multiply line 16 by 0.9% (0.009). Enter here and go to Part IV	17		

Part IV Total Additional Medicare Tax

18	Add lines 7, 13, and 17. Also include this amount on Form 1040, line 62, (Form 1040NR, 1040-PR, and 1040-SS filers, see instructions) and go to Part V	18		481
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Part V Withholding Reconciliation

19	Medicare tax withheld from Form W-2, box 6. If you have more than one Form W-2, enter the total of the amounts from box 6	19	4,064	
20	Enter the amount from line 1	20	249,500	
21	Multiply line 20 by 1.45% (0.0145). This is your regular Medicare tax withholding on Medicare wages	21	3,618	
22	Subtract line 21 from line 19. If zero or less, enter -0-. This is your Additional Medicare Tax withholding on Medicare wages	22		446
23	Additional Medicare Tax withholding on railroad retirement (RRTA) compensation from Form W-2, box 14 (see instructions)	23		
24	Total Additional Medicare Tax withholding. Add lines 22 and 23. Also include this amount with federal income tax withholding on Form 1040, line 64 (Form 1040NR, 1040-PR, and 1040-SS filers, see instructions)	24		446

For Paperwork Reduction Act Notice, see your tax return instructions.

Form **8959** (2016)

Form **8960****Net Investment Income Tax—
Individuals, Estates, and Trusts**

▶ Attach to your tax return.

OMB No. 1545-2227

2016Alternative
Sequence No. **72**Department of the Treasury
Internal Revenue Service (999)▶ Information about Form 8960 and its separate instructions is at www.irs.gov/form8960.

Name(s) shown on your tax return

Your social security number or EIN

Clifford Laughton**Part I Investment Income**

Section 6013(g) election (see instructions)

Section 6013(h) election (see instructions)

Regulations section 1.1411-10(g) election (see instructions)

1	Taxable interest (see instructions)		1	589
2	Ordinary dividends (see instructions)		2	
3	Annuities (see instructions)		3	
4a	Rental real estate, royalties, partnerships, S corporations, trusts, etc. (see instructions)	4a		
b	Adjustment for net income or loss derived in the ordinary course of a non-section 1411 trade or business (see instructions)	4b		
c	Combine lines 4a and 4b		4c	
5a	Net gain or loss from disposition of property (see instructions)	5a	656,296	
b	Net gain or loss from disposition of property that is not subject to net investment income tax (see instructions)	5b		
c	Adjustment from disposition of partnership interest or S corporation stock (see instructions)	5c		
d	Combine lines 5a through 5c		5d	656,296
6	Adjustments to investment income for certain CFCs and PFICs (see instructions)		6	
7	Other modifications to investment income (see instructions)		7	226,909
8	Total investment income. Combine lines 1, 2, 3, 4c, 5d, 6, and 7		8	883,794

Part II Investment Expenses Allocable to Investment Income and Modifications

9a	Investment interest expenses (see instructions)	9a		
b	State, local, and foreign income tax (see instructions)	9b	77,380	
c	Miscellaneous investment expenses (see instructions)	9c		
d	Add lines 9a, 9b, and 9c		9d	77,380
10	Additional modifications (see instructions)		10	
11	Total deductions and modifications. Add lines 9d and 10		11	77,380

Part III Tax Computation

12	Net investment income. Subtract Part II, line 11 from Part I, line 8. Individuals complete lines 13–17. Estates and trusts complete lines 18a–21. If zero or less, enter -0-	12	806,414
Individuals:			
13	Modified adjusted gross income (see instructions)	13	938,929
14	Threshold based on filing status (see instructions)	14	200,000
15	Subtract line 14 from line 13. If zero or less, enter -0-	15	738,929
16	Enter the smaller of line 12 or line 15	16	738,929
17	Net investment income tax for individuals. Multiply line 16 by 3.8% (.038). Enter here and include on your tax return (see instructions)	17	28,079
Estates and Trusts:			
18a	Net investment income (line 12 above)	18a	
b	Deductions for distributions of net investment income and deductions under section 642(c) (see instructions)	18b	
c	Undistributed net investment income. Subtract line 18b from 18a (see instructions). If zero or less, enter -0-	18c	
19a	Adjusted gross income (see instructions)	19a	
b	Highest tax bracket for estates and trusts for the year (see instructions)	19b	
c	Subtract line 19b from line 19a. If zero or less, enter -0-	19c	
20	Enter the smaller of line 18c or line 19c	20	
21	Net investment income tax for estates and trusts. Multiply line 20 by 3.8% (.038). Enter here and include on your tax return (see instructions)	21	

For Paperwork Reduction Act Notice, see your tax return instructions.

Form **8960** (2016)

Form **8582**Department of the Treasury
Internal Revenue Service**Passive Activity Loss Limitations**

▶ See separate instructions.

▶ Attach to Form 1040 or Form 1041.

▶ Information about Form 8582 and its instructions is available at www.irs.gov/form8582.

OMB No 1545-1008

2016Attachment
Page No **88**

Name(s) shown on return

Identifying number

Clifford Laughton**Part I 2016 Passive Activity Loss****Caution:** Complete Worksheets 1, 2, and 3 before completing Part I**Rental Real Estate Activities With Active Participation** (For the definition of active participation, see**Special Allowance for Rental Real Estate Activities** in the instructions.)

- 1a** Activities with net income (enter the amount from Worksheet 1, column (a))
- 1b** Activities with net loss (enter the amount from Worksheet 1, column (b))
- 1c** Prior years unallowed losses (enter the amount from Worksheet 1, column (c))
- d** Combine lines 1a, 1b, and 1c

1a	
1b	
1c	
1d	

Commercial Revitalization Deductions From Rental Real Estate Activities

- 2a** Commercial revitalization deductions from Worksheet 2, column (a)
- 2b** Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)
- c** Add lines 2a and 2b

2a	
2b	
2c	

All Other Passive Activities

- 3a** Activities with net income (enter the amount from Worksheet 3, column (a))
- 3b** Activities with net loss (enter the amount from Worksheet 3, column (b))
- 3c** Prior years unallowed losses (enter the amount from Worksheet 3, column (c))
- d** Combine lines 3a, 3b, and 3c

3a	883,047
3b	
3c	231,184
3d	651,863

- 4** Combine lines 1d, 2c, and 3d. If this line is zero or more, stop here and include this form with your return; all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Report the losses on the forms and schedules normally used

4	651,863
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- If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
 - Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
 - Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, **do not** complete

Part II or Part III. Instead, go to line 15.

Part II Special Allowance for Rental Real Estate Activities With Active Participation**Note:** Enter all numbers in Part II as positive amounts. See instructions for an example.

- 5** Enter the **smaller** of the loss on line 1d or the loss on line 4
- 6** Enter \$150,000. If married filing separately, see instructions
- 7** Enter modified adjusted gross income, but not less than zero (see instructions)
- Note:** If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8
- 8** Subtract line 7 from line 6
- 9** Multiply line 8 by 50% (0.5). **Do not** enter more than \$25,000. If married filing separately, see instructions
- 10** Enter the **smaller** of line 5 or line 9
- If line 2c is a loss, go to Part III. Otherwise, go to line 15.

5	
6	
7	0
8	
9	
10	0

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities**Note:** Enter all numbers in Part III as positive amounts. See the example for Part II in the instructions.

- 11** Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions
- 12** Enter the loss from line 4
- 13** Reduce line 12 by the amount on line 10
- 14** Enter the **smallest** of line 2c (treated as a positive amount), line 11, or line 13

11	
12	
13	
14	

Part IV Total Losses Allowed

- 15** Add the income, if any, on lines 1a and 3a and enter the total
- 16** **Total losses allowed from all passive activities for 2016.** Add lines 10, 14, and 15. See instructions to find out how to report the losses on your tax return.

15	
16	0

For Paperwork Reduction Act Notice, see instructions.Form **8582** (2016)

Clifford Laughton

Form 8582 (2016)

Page 2

Caution: The worksheets must be filed with your tax return. Keep a copy for your records.**Worksheet 1—For Form 8582, Lines 1a, 1b, and 1c (See instructions.)**

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 1a)	(b) Net loss (line 1b)	(c) Unallowed loss (line 1c)	(d) Gain	(e) Loss
Total. Enter on Form 8582, lines 1a, 1b, and 1c					

Worksheet 2—For Form 8582, Lines 2a and 2b (See instructions.)

Name of activity	(a) Current year deductions (line 2a)	(b) Prior year unallowed deductions (line 2b)	(c) Overall loss
Total. Enter on Form 8582, lines 2a and 2b			

Worksheet 3—For Form 8582, Lines 3a, 3b, and 3c (See instructions.)

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 3a)	(b) Net loss (line 3b)	(c) Unallowed loss (line 3c)	(d) Gain	(e) Loss
Rental Real Estate	883,047		231,184	651,863	
Total. Enter on Form 8582, lines 3a, 3b, and 3c	883,047		231,184		

Worksheet 4—Use this worksheet if an amount is shown on Form 8582, line 10 or 14 (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Special allowance	(d) Subtract column (c) from column (a)
Total			1.00		

Worksheet 5—Allocation of Unallowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Unallowed loss
Total			1.00	

Form **8582**Department of the Treasury
Internal Revenue Service**AMT Version**
Passive Activity Loss Limitations

▶ See separate instructions.

▶ Attach to Form 1040 or Form 1041.

▶ Information about Form 8582 and its instructions is available at www.irs.gov/form8582.

OMB No 1545-1008

2016Attachment
Sequence No **88**

Name(s) shown on return

Identifying number

Clifford Laughton**Part I 2016 Passive Activity Loss****Caution:** Complete Worksheets 1, 2, and 3 before completing Part I**Rental Real Estate Activities With Active Participation** (For the definition of active participation, see**Special Allowance for Rental Real Estate Activities** in the instructions.)

- 1a** Activities with net income (enter the amount from Worksheet 1, column (a))
- b** Activities with net loss (enter the amount from Worksheet 1, column (b))
- c** Prior years unallowed losses (enter the amount from Worksheet 1, column (c))
- d** Combine lines 1a, 1b, and 1c

1a	
1b	
1c	

1d**Commercial Revitalization Deductions From Rental Real Estate Activities**

- 2a** Commercial revitalization deductions from Worksheet 2, column (a)
- b** Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)
- c** Add lines 2a and 2b

2a	
2b	

2c**All Other Passive Activities**

- 3a** Activities with net income (enter the amount from Worksheet 3, column (a))
- b** Activities with net loss (enter the amount from Worksheet 3, column (b))
- c** Prior years unallowed losses (enter the amount from Worksheet 3, column (c))
- d** Combine lines 3a, 3b, and 3c

3a	883,047
3b	
3c	231,184

3d**651,863**

- 4** Combine lines 1d, 2c, and 3d. If this line is zero or more, stop here and include this form with your return; all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Report the losses on the forms and schedules normally used

4**651,863**

- If line 4 is a loss and:
- Line 1d is a loss, go to Part II
 - Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
 - Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, **do not** complete Part II or Part III. Instead, go to line 15.

Part II Special Allowance for Rental Real Estate Activities With Active Participation**Note:** Enter all numbers in Part II as positive amounts. See instructions for an example.

- 5** Enter the **smaller** of the loss on line 1d or the loss on line 4
- 6** Enter \$150,000. If married filing separately, see instructions
- 7** Enter modified adjusted gross income, but not less than zero (see instructions)
- Note:** If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8
- 8** Subtract line 7 from line 6
- 9** Multiply line 8 by 50% (0.5). **Do not** enter more than \$25,000. If married filing separately, see instructions
- 10** Enter the **smaller** of line 5 or line 9
- If line 2c is a loss, go to Part III. Otherwise, go to line 15.

5	
7	0
8	

5**9****10****0****Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities****Note:** Enter all numbers in Part III as positive amounts. See the example for Part II in the instructions.

- 11** Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions
- 12** Enter the loss from line 4
- 13** Reduce line 12 by the amount on line 10
- 14** Enter the **smallest** of line 2c (treated as a positive amount), line 11, or line 13

11**12****13****14****Part IV Total Losses Allowed**

- 15** Add the income, if any, on lines 1a and 3a and enter the total
- 16** **Total losses allowed from all passive activities for 2016.** Add lines 10, 14, and 15. See instructions to find out how to report the losses on your tax return

15**16****0****For Paperwork Reduction Act Notice, see instructions.**Form **8582** (2016)

AMT Version

Clifford Laughton

Form 8582 (2016)

Page 2

Caution: The worksheets must be filed with your tax return. Keep a copy for your records.**Worksheet 1—For Form 8582, Lines 1a, 1b, and 1c (See instructions.)**

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 1a)	(b) Net loss (line 1b)	(c) Unallowed loss (line 1c)	(d) Gain	(e) Loss
Total. Enter on Form 8582, lines 1a, 1b, and 1c					

Worksheet 2—For Form 8582, Lines 2a and 2b (See instructions.)

Name of activity	(a) Current year deductions (line 2a)	(b) Prior year unallowed deductions (line 2b)	(c) Overall loss
Total. Enter on Form 8582, lines 2a and 2b			

Worksheet 3—For Form 8582, Lines 3a, 3b, and 3c (See instructions.)

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 3a)	(b) Net loss (line 3b)	(c) Unallowed loss (line 3c)	(d) Gain	(e) Loss
Rental Real Estate	883,047		231,184	651,863	
Total. Enter on Form 8582, lines 3a, 3b, and 3c	883,047		231,184		

Worksheet 4—Use this worksheet if an amount is shown on Form 8582, line 10 or 14 (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Special allowance	(d) Subtract column (c) from column (a)
Total			1.00		

Worksheet 5—Allocation of Unallowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Unallowed loss
Total			1.00	

Form **8283**

(Rev. December 2014)

Department of the Treasury
Internal Revenue Service**Noncash Charitable Contributions**▶ **Attach to your tax return if you claimed a total deduction of over \$500 for all contributed property.**

OMB No 1545-0008

Attachment
No**155**Information about Form 8283 and its separate instructions is at www.irs.gov/form8283.

Name(s) shown on your income tax return

Identifying number

Clifford Laughton**Note.** Figure the amount of your contribution deduction before completing this form. See your tax return instructions.**Section A. Donated Property of \$5,000 or Less and Publicly Traded Securities**—List in this section **only** items (or groups of similar items) for which you claimed a deduction of \$5,000 or less. Also list publicly traded securities even if the deduction is more than \$5,000 (see instructions).**Part I. Information on Donated Property**—If you need more space, attach a statement.

	(a) Name and address of the donee organization	(b) If donated property is a vehicle (see instructions) check the box. Also enter the vehicle identification number (unless Form 1096-C is attached)	(c) Description of donated property (For a vehicle, enter the year, make, model, and mileage. For securities, enter the name and the number of shares)
A	The Salvation Army 2950 Manoa Rd Honolulu HI 96822	<input type="checkbox"/>	TVs
B	Helping Hands Hawaii 2100 Nimitz Hwy Honolulu HI 96719	<input type="checkbox"/>	TVs, household items
C	Big Brothers Big Sisters Foundation 418 Kuwili St Ste 104 Honolulu HI 96817	<input type="checkbox"/>	Personal items
D		<input type="checkbox"/>	
E		<input type="checkbox"/>	

Note. If the amount you claimed as a deduction for an item is \$500 or less, you do not have to complete columns (e), (f), and (g).

	(d) Date of the contribution	(e) Date acquired by donor (mo., yr.)	(f) How acquired by donor	(g) Donor's cost or adjusted basis	(h) Fair market value (see instructions)	(i) Market value to be reported (the fair market value)
A	Various	Various	Purchase	160	160	Thrift Shop Value
B	Various	Various	Purchase	240	240	Thrift Shop Value
C	10/11/16	Various	Purchase	180	180	Thrift Shop Value
D						
E						

Part II. Partial Interests and Restricted Use Property—Complete lines 2a through 2e if you gave less than an entire interest in a property listed in Part I. Complete lines 3a through 3c if conditions were placed on a contribution listed in Part I; also attach the required statement (see instructions).**2a** Enter the letter from Part I that identifies the property for which you gave less than an entire interest ▶

If Part II applies to more than one property, attach a separate statement

b Total amount claimed as a deduction for the property listed in Part I: (1) For this tax year ▶ (2) For any prior tax years ▶**c** Name and address of each organization to which any such contribution was made in a prior year (complete only if different from the donee organization above):

Name of charitable organization (donee)

Address (number, street, and room or suite no.)

City or town, state, and ZIP code

d For tangible property, enter the place where the property is located or kept ▶**e** Name of any person, other than the donee organization, having actual possession of the property ▶**3a** Is there a restriction, either temporary or permanent, on the donee's right to use or dispose of the donated property?**b** Did you give to anyone (other than the donee organization or another organization participating with the donee organization in cooperative fundraising) the right to the income from the donated property or to the possession of the property, including the right to vote donated securities, to acquire the property by purchase or otherwise, or to designate the person having such income, possession, or right to acquire?**c** Is there a restriction limiting the donated property for a particular use?

Yes	No

For Paperwork Reduction Act Notice, see separate instructions.

Form **8283** (Rev. 12-2014)

Federal Statements**Rental Real Estate****Statement 1 - Schedule C, Line 6 - Other Income**

<u>Description</u>	<u>Amount</u>
Application Fee Income	\$ 1,834
Late Fees	10,045
Lease Termination Fee	4,000
Lock Out Income	283
Property Management Fees	11,165
Total	<u>\$ 27,327</u>

COPY - Do not file

Form **4868**Department of the Treasury
Internal Revenue Service**Application for Automatic Extension of Time
To File U.S. Individual Income Tax Return**► Information about Form 4868 and its instructions is available at www.irs.gov/form4868.

OMB No. 1545-0074

2016

(on bottom of page)

Form **4868**Department of the Treasury
Internal Revenue Service**Application for Automatic Extension of Time
To File U.S. Individual Income Tax Return**

For calendar year 2016, or other tax year beginning

ending

OMB No. 1545-0074

2016

Part I Identification		Part II Individual Income Tax	
1 Your name(s) (see instructions) Clifford Laughton		4 Estimate of total tax liability for 2016 \$	215,897
Address (see instructions) 18124 Wedge Pkwy City, town, or post office		5 Total 2016 payments	65,897
State NV ZIP Code 89511		6 Balance due. Subtract line 5 from line 4 (see instructions)	150,000
2 Your social security number	3 Spouse's social security number	7 Amount you're paying (see instr)	150,000
		8 Check here if you're "out of the country" and a U.S. citizen or resident (see instructions)	<input type="checkbox"/>
		9 Check here if you file Form 1040NR or 1040NR-EZ and didn't receive wages as an employee subject to U.S. income tax withholding	<input type="checkbox"/>

For Privacy Act and Paperwork Reduction Act Notice, see page 4.

Form **4868** (2016)

Form **1040****Schedule D Tax Worksheet****2016**

Name **Clifford Laughton** Taxpayer Identification Number XXXXXXXXXX

1. Enter your taxable income from Form 1040, line 43 (or Form 1040NR, Line 41) (However, if you are filing Form 2555 or 2555-EZ (relating to foreign earned income), enter instead the amount from line 3 of the Foreign Earned Income Tax Worksheet)		825,595
2. Enter your qualified dividends from Form 1040, line 9b (or Form 1040NR, line 10b)	2.	
3. Form 4952, line 4g amount	3.	
4. Form 4952, line 4e amount*	4.	
5. Subtract line 4 from line 3. If zero or less, enter -0-	5.	0
6. Subtract line 5 from line 2. If zero or less, enter -0--	6.	0
7. Enter the smaller of line 15 or line 16 of Schedule D	7.	656,296
8. Enter the smaller of line 3 or line 4	8.	
9. Subtract line 8 from line 7. If zero or less, enter -0--	9.	656,296
10. Add lines 6 and 9	10.	656,296
11. Add lines 18 and 19 of Schedule D**	11.	71,120
12. Enter the smaller of line 9 or line 11	12.	71,120
13. Subtract line 12 from line 10	13.	585,176
14. Subtract line 13 from line 1. If zero or less, enter -0-	14.	240,419
15. Enter \$37,650 if single or mfs; \$75,300 if MFJ or QW; \$50,400 if HOH;	15.	37,650
16. Enter the smaller of line 1 or line 15	16.	37,650
17. Enter the smaller of line 14 or line 16	17.	37,650
18. Subtract line 10 from line 1. If zero or less, enter -0-	18.	169,299
19. Enter the larger of line 17 or line 18	19.	169,299
20. Subtract line 17 from line 16. This amount is taxed at 0%	20.	
If lines 1 and 16 are the same, skip lines 21 through 41 and go to line 42. Otherwise, go to line 21.		
21. Enter the smaller of line 1 or line 13	21.	585,176
22. Enter the amount from line 20 (if line 20 is blank, enter -0-)	22.	0
23. Subtract line 22 from line 21. If zero or less, enter -0-	23.	585,176
24. Enter \$415,050 Sgl; \$233,475 MFS; \$466,950 MFJ/QW; \$441,000 HOH	24.	415,050
25. Enter the smaller of line 1 or line 24	25.	415,050
26. Add lines 19 and 20	26.	169,299
27. Subtract line 26 from line 25. If zero or less, enter -0-	27.	245,751
28. Enter the smaller of line 23 or line 27	28.	245,751
29. Multiply line 28 by 15% (15)	29.	36,863
30. Add lines 22 and 28	30.	245,751
If lines 1 and 30 are the same, skip lines 31 through 41 and go to line 42. Otherwise, go to line 31.		
31. Subtract line 30 from line 21	31.	339,425
32. Multiply line 31 by 20% (20)	32.	67,885
If Schedule D, line 19, is zero or blank, skip lines 33 through 38 and go to line 39. Otherwise, go to line 33.		
33. Enter the smaller of line 9 above or Schedule D, line 19	33.	71,120
34. Add lines 10 and 19	34.	825,595
35. Enter the amount from line 1 above	35.	825,595
36. Subtract line 35 from line 34. If zero or less, enter -0-	36.	0
37. Subtract line 36 from line 33. If zero or less, enter -0-	37.	71,120
38. Multiply line 37 by 25% (25)	38.	17,780
If Schedule D, line 18, is zero or blank, skip lines 39 through 41 and go to line 42. Otherwise, go to line 39.		
39. Add lines 19, 20, 28, 31 and 37	39.	
40. Subtract line 39 from line 1	40.	
41. Multiply line 40 by 28% (28)	41.	
42. Figure the tax on the amount on line 19. If the amount on line 19 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 19 is \$100,000 or more, use the Tax Computation Worksheet	42.	40,440
43. Add lines 29, 32, 38, 41, and 42	43.	162,968
44. Figure the tax on the amount on line 1. If the amount on line 19 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 19 is \$100,000 or more, use the Tax Computation Worksheet	44.	283,106
45. Tax on all taxable income (including capital gains and qualified dividends). Enter the smaller of line 43 or line 44. Also include this amount on Form 1040, line 44 (or Form 1040NR, line 42) (If you're filing Form 2555 or 2555-EZ, don't enter this amount on Form 1040, line 44. Instead, enter it on line 4 of the Foreign Earned Income Tax Worksheet in the Form 1040 instructions)	45.	162,968

Form 1040	28% Rate Capital Gain and Unrecaptured Section 1250 Worksheets	2016
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

28% Rate Capital Gain Tax Worksheet - Schedule D Line 18

1. Enter the total of all collectibles gain or (loss) from items you reported on Form 8949, Part II 1. _____
2. Enter as a positive number the total of:
 - Any section 1202 exclusion you reported in column (g) of Form 8949 Part II with code "Q" in column (f), that is 50% of the gain;
 - 2/3 of any section 1202 exclusion you reported in column (g) of Form 8949, Part II, with code "Q" in column (f), that is 60% of the gain; and
 - 1/3 of any section 1202 exclusion you reported in column (g) of Form 8949, Part II, with code "Q" in column (f), that is 75% of the gain

2. _____

Do not make an entry for any section 1202 exclusion that is 100% of the gain.
3. Enter the total of all collectibles gain or (loss) from Form 4684, line 4 (but only if Form 4684, line 15, is more than zero); Form 6252; Form 6781, Part II; and Form 8824 3. _____
4. Enter the total of any collectibles gain reported to you on:

- Form 1099-DIV, box 2d
 - Form 2439, box 1d, and
 - Schedule K-1 from a partnership, S corporation, estate, or trust.

}

4. _____
5. Enter your long-term capital loss carryovers from Schedule D, line 14, and Schedule K-1 (Form 1041), box 11, Code C 5. (_____)
6. If Schedule D, line 7 is a (loss), enter that (loss) here. Otherwise, enter -0- 6. (_____) **0**
7. Combine lines 1 through 6. If zero or less, enter -0- If more than zero, also enter this amount on Schedule D, line 18 7. _____

Unrecaptured Section 1250 Gain Worksheet - Schedule D Line 19

If you are not reporting a gain on Form 4797, line 7, skip lines 1 through 9 and go to line 10

1. If you have a section 1250 property in Part III of Form 4797 for which you made an entry in Part I of Form 4797 (but not on Form 6252), enter the **smaller** of line 22 or line 24 of Form 4797 for that property. If you did not have any such property, go to line 4. If you had more than one such property, see instructions 1. _____
2. Enter the amount from Form 4797, line 26g, for the property for which you made an entry on line 1 2. _____
3. Subtract line 2 from line 1. *(Total amount is reported. See the Unrecaptured Section 1250 Gains stmt for detail) 3. **71,120**
4. Enter the total unrecaptured section 1250 gain included on line 26 or line 37 of Form(s) 6252 from installment sales of trade or business property held more than 1 year (see instructions) 4. _____
5. Enter the total of any amounts reported to you on a Schedule K-1 from a partnership or an S corporation as "unrecaptured section 1250 gain" 5. _____
6. Add lines 3 through 5 6. **71,120**
7. Enter the **smaller** of line 6 or the gain from 4797, line 7 7. **71,120**
8. Enter the amount, if any, from Form 4797, line 8 8. _____
9. Subtract line 8 from line 7. If zero or less, enter -0- 9. **71,120**
10. Enter the amount of any gain from the sale or exchange of an interest in a partnership attributable to unrecaptured section 1250 gain (see instructions) 10. _____
11. Enter the total of any amounts reported to you as "unrecaptured section 1250 gain" on a Schedule K-1, Form 1099-DIV, or Form 2439 from an estate, trust, real estate investment trust, or mutual fund (or regulated investment company) or in connection with Form 1099-R 11. _____
12. Enter the total of any unrecaptured section 1250 gain from sales (including installment sales) or other dispositions of section 1250 property held more than 1 year for which you did not make an entry in Part I of Form 4797 for the year of sale (see instructions) 12. _____
13. Add lines 9 through 12 13. **71,120**
14. If you had any section 1202 gain or collectibles gain or (loss), enter the total of lines 1 through 4 of the **28% Rate Gain Worksheet** on page D-7. Otherwise, enter -0- 14. _____
15. Enter the (loss), if any, from Sch D, line 7. If Sch D, line 7, is zero or a gain, enter -0- 15. (_____) **0**
16. Enter your long-term capital loss carryovers from Schedule D, line 14, and Schedule K-1 (Form 1041), box 11, code C* 16. (_____)
17. Combine lines 14 through 16. If the result is a (loss), enter it as a positive amount. If the result is zero or a gain enter -0- 17. _____ **0**
18. **Unrecaptured section 1250 gain.** Subtract line 17 from line 13. If zero or less, enter -0-. Enter the result here and on Schedule D, line 19 18. **71,120**

*If you're filing form 2555 or 2555-EZ (relating to foreign earned income), see the footnote in the Foreign Earned Income Tax Worksheet

Form 1040	General Sales Tax Deduction Worksheet	2016
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Name as shown on return
Clifford Laughton

Taxpayer Identification Number
[REDACTED]

State of **Hawaii** Locality of _____

General Sales Tax from IRS Tables

1. Enter the amount of adjusted gross income (AGI) from Form 1040, Line 38	1.	938,929
2. Add the nontaxable amounts from Form 1040, lines 8b, 15a, 16a, 20a (Exclude rollovers and tax-free Sec. 1035 exchanges)	2.	4,640
3. Add the following nontaxable items: nontaxable combat pay, public assistance, veteran's benefits, and workers' compensation. Also include any amounts which increase spendable income, such as the refundable portion of refundable tax credits received in 2016	3.	
4. Add lines 1 through 3, this is income for general sales tax table purposes	4.	943,569
5. Enter the amount from the sales tax table in the Schedule A instructions. Part-year residents, complete lines 6 - 8; Full-year residents skip lines 6 - 8 and enter the amount from line 5 on line 9	5.	1,710
6. Enter the number of days of residence in state	6.	
7. Total days in year	7.	366
8. Divide line 6 by line 7 (rounded to at least 3 decimal places)	8.	
9. Multiply line 5 by line 8, this is the deductible general sales tax using the IRS table	9.	1,710

Local Sales Tax Using IRS Tables

10. Enter the amount from the sales tax table in the Schedule A instructions	10.	
11. If you are a resident of Alaska, Arizona, Arkansas, Colorado, Georgia, Illinois, Louisiana, Mississippi (city of Jackson or Tupelo only), Missouri, New York State, North Carolina, South Carolina, Tennessee, Utah, or Virginia, enter the amount from the applicable Optional Local Sales Tax Table in the Schedule A instructions.	11.	
12. Enter the local general sales tax rate (exclude statewide local sales tax rate)	12.	
13. Enter the state general sales tax rate (include statewide local sales tax rate)	13.	
14. Divide line 12 by line 13 (rounded to at least 3 decimal places)	14.	
15. If you entered an amount on line 11, multiply line 11 by line 12. This is the local sales tax using the optional local sales tax tables. Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18 and enter the amount from line 15 on line 19 If you did not enter an amount on line 11, multiply line 10 by line 14. This is the local sales tax using the optional state and certain local sales tax tables. Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18 and enter the amount from line 15 on line 19	15.	
16. Enter the number of days of residence in locality	16.	
17. Total days in year	17.	366
18. Divide line 16 by line 17 (rounded to at least 3 decimal places)	18.	
19. Multiply line 15 by line 18. This is the deductible general local sales tax using the IRS tables	19.	

General Sales Tax Summary

20. Enter the sum of line 9 from all General Sales Tax Deduction Worksheets	20.	
21. Enter the sum of line 19 from all General Sales Tax Deduction Worksheets	21.	
22. Add lines 20 and 21, this is the total General Sales taxes using the tables	22.	
23. Enter the actual state and local general sales taxes paid	23.	
24. Enter the greater of line 22 or line 23	24.	
25. Enter the state and local taxes paid on specified items (major purchases)	25.	
26. Add lines 24 and 25, this is the deductible General Sales tax	26.	
27. Enter total state and local income taxes paid	27.	

Enter the greater of line 26 or 27 on Schedule A, line 5. If line 26 is greater, mark Schedule A, line 5b. If line 27 is greater, mark Schedule A, line 5a.

Form 1040	General Sales Tax Deduction Worksheet	2016
Name as shown on return Clifford Laughton		Taxpayer Identification Number [REDACTED]
State of North Carolina	Locality of	

General Sales Tax from IRS Tables

1. Enter the amount of adjusted gross income (AGI) from Form 1040, Line 38	1. <u>938,929</u>
2. Add the nontaxable amounts from Form 1040, lines 8b, 15a, 16a, 20a (Exclude rollovers and tax-free Sec. 1035 exchanges)	2. <u>4,640</u>
3. Add the following nontaxable items: nontaxable combat pay, public assistance, veteran's benefits, and workers' compensation Also include any amounts which increase spendable income, such as the refundable portion of refundable tax credits received in 2016	3. _____
4. Add lines 1 through 3, this is income for general sales tax table purposes	4. <u>943,569</u>
5. Enter the amount from the sales tax table in the Schedule A instructions Part-year residents, complete lines 6 - 8; Full-year residents skip lines 6 - 8 and enter the amount from line 5 on line 9	5. <u>1,735</u>
6. Enter the number of days of residence in state	6. _____
7. Total days in year	7. <u>366</u>
8. Divide line 6 by line 7 (rounded to at least 3 decimal places)	8. _____
9. Multiply line 5 by line 8, this is the deductible general sales tax using the IRS table.	9. <u>1,735</u>

Local Sales Tax Using IRS Tables

10. Enter the amount from the sales tax table in the Schedule A instructions	10. _____
11. If you are a resident of Alaska, Arizona, Arkansas, Colorado, Georgia, Illinois, Louisiana, Mississippi (city of Jackson or Tupelo only), Missouri, New York State, North Carolina, South Carolina, Tennessee, Utah, or Virginia, enter the amount from the applicable Optional Local Sales Tax Table in the Schedule A instructions.	11. _____
12. Enter the local general sales tax rate (exclude statewide local sales tax rate)	12. _____
13. Enter the state general sales tax rate (include statewide local sales tax rate)	13. _____
14. Divide line 12 by line 13 (rounded to at least 3 decimal places)	14. _____
15. If you entered an amount on line 11, multiply line 11 by line 12. This is the local sales tax using the optional local sales tax tables. Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18 and enter the amount from line 15 on line 19 If you did not enter an amount on line 11, multiply line 10 by line 14. This is the local sales tax using the optional state and certain local sales tax tables. Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18 and enter the amount from line 15 on line 19	15. _____
16. Enter the number of days of residence in locality	16. _____
17. Total days in year	17. <u>366</u>
18. Divide line 16 by line 17 (rounded to at least 3 decimal places)	18. _____
19. Multiply line 15 by line 18. This is the deductible general local sales tax using the IRS tables.	19. _____

General Sales Tax Summary

20. Enter the sum of line 9 from all General Sales Tax Deduction Worksheets	20. <u>3,445</u>
21. Enter the sum of line 19 from all General Sales Tax Deduction Worksheets	21. _____
22. Add lines 20 and 21, this is the total General Sales taxes using the tables	22. <u>3,445</u>
23. Enter the actual state and local general sales taxes paid	23. _____
24. Enter the greater of line 22 or line 23	24. <u>3,445</u>
25. Enter the state and local taxes paid on specified items (major purchases)	25. _____
26. Add lines 24 and 25, this is the deductible General Sales tax	26. <u>3,445</u>
27. Enter total state and local income taxes paid	27. <u>82,205</u>

Enter the greater of line 26 or 27 on Schedule A, line 5. If line 26 is greater, mark Schedule A, line 5b. If line 27 is greater, mark Schedule A, line 5a

Form 1040	Itemized/Standard Deduction & Dependent MAGI Worksheets	2016
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

Itemized Deductions Worksheet

- | | | |
|---|-----|----------------|
| 1. Enter the total of the amounts from Schedule A, lines 4, 9, 15, 19, 20, 27, and 28 | 1. | <u>133,720</u> |
| 2. Enter the total of the amounts from Schedule A, lines 4, 14, and 20, plus any gambling and casualty or theft losses included on line 28. Caution: Be sure your total gambling and casualty/theft losses are identified on line 28 | 2. | |
| 3. Subtract line 2 from line 1. If the result is zero, stop here ; enter the amount from line 1 above on Schedule A, line 29 | 3. | <u>133,720</u> |
| 4. Multiply line 3 by 80% (.80) | 4. | <u>106,976</u> |
| 5. Enter the amount from Form 1040, line 38 | 5. | <u>938,929</u> |
| 6. Enter \$311,300 if married filing jointly or qualifying widow(er); \$285,350 if head of household; \$259,400 if single; or \$155,650 if married filing separately | 6. | <u>259,400</u> |
| 7. Subtract line 6 from line 5. If the result is zero or less, stop here ; enter the amount from line 1 above on Schedule A, line 29 | 7. | <u>679,529</u> |
| 8. Multiply line 7 by 3% (.03) | 8. | <u>20,386</u> |
| 9. Enter the smaller of line 4 or line 8 | 9. | <u>20,386</u> |
| 10. Total itemized deductions. Subtract line 9 from line 1. Enter the result here and on Schedule A, line 29 | 10. | <u>113,334</u> |

Standard Deduction Worksheet

- | | | |
|--|----|-----------------|
| 1. Enter the amount shown below for your filing status | | |
| <input checked="" type="radio"/> Single or Married filing separately - \$6,300
<input type="radio"/> Married filing jointly or qualifying widow(er) - \$12,600
<input type="radio"/> Head of household - \$9,300 | } | 1. <u>6,300</u> |
| 2. Can you (or your spouse if married, filing jointly) be claimed as a dependent? | | |
| <input checked="" type="checkbox"/> No. Skip line 3; enter the amount from line 1 on line 4. | | |
| <input type="checkbox"/> Yes. Go to line 3. | | |
| 3. Is your earned income more than \$700? | | |
| <input type="checkbox"/> Yes. Add \$350 to your earned income. Enter the total. | | |
| <input type="checkbox"/> No. Enter \$1,050 | 3. | |
| 4. Enter the smaller of line 1 or line 3. If under 65 and not blind, continue to line 6. Otherwise , go to line 5. | 4. | <u>6,300</u> |
| 5. Check if: <input checked="" type="checkbox"/> You were 65 or older, <input type="checkbox"/> Blind ; <input type="checkbox"/> Spouse was 65 or older, <input type="checkbox"/> Blind . Total boxes checked 1 | 5. | <u>1,550</u> |
| If 65 or older or blind, multiply \$1,250 (\$1,550 if single or head of household) by the number in the box above | 6. | <u>7,850</u> |
| 6. Add lines 4 and 5. Enter the total here and on Form 1040, line 40 (Form 1040A, line 24) | | |

Dependent Modified Adjusted Gross Income Worksheet

- | | | |
|---|----|--|
| 1. Are you required to file a tax return? | | |
| <input type="checkbox"/> No. Do not include Dependent's modified adjusted gross income in Claiming Taxpayer's household income | | |
| <input type="checkbox"/> Yes. Include Modified Adjusted Gross Income in claiming taxpayer's household income. | | |
| 2. Adjusted Gross Income. Enter the amount from Form 1040, Line 38. | 2. | |
| 3. Enter tax-exempt interest from Form 1040, line 8b | 3. | |
| 4. Enter the amount from your Form 2555, lines 45 and 50, or Form 2555-EZ, line 18. | 4. | |
| 5. Dependent Modified Adjusted Gross Income for Claiming Taxpayer's Form 8962 and Form 8965. Combine lines 2 through 4 | 5. | |
| 6. Enter the total Social Security benefits from Form 1040, line 20a | 6. | |
| 7. Enter the taxable Social Security benefits from Form 1040, line 20b | 7. | |
| 8. Nontaxable Social Security benefits. Subtract line 7 from line 6. | 8. | |
| 9. Dependent Modified Adjusted Gross Income for Claiming Taxpayer's Individual Responsibility Worksheet. Add lines 5 and 8. | 9. | |

Form 1040	Exemption Worksheet	2016
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

Exemptions Worksheet

- | | |
|--|--|
| <p>1. Multiply \$4,050 by the total number of exemptions claimed on Form 1040, line 6d</p> <p>2. Enter the amount from Form 1040, line 38</p> <p>3. Enter on line 3 the amount shown below for your filing status:</p> <div style="display: flex; align-items: center;"> <ul style="list-style-type: none"> • Single - \$259,400 • Married filing jointly or Qualifying widow(er) - \$311,300 • Married filing separately - \$155,650 • Head of household - \$285,350 <div style="margin-left: 10px;"> <div style="font-size: 3em; line-height: 1;">}</div> <div style="font-size: 2em; line-height: 1;">▶</div> </div> </div> <p>4. Subtract line 3 from line 2. If zero or less, stop here; enter the amount from line 1 above on Form 1040, line 42</p> <p>Note: If line 4 is more than \$122,500 (more than \$61,250 if married filing separately), stop here; you cannot take a deduction for exemptions. Enter -0- on Form 1040, line 42.</p> <p>5. Divide line 4 by \$2,500 (\$1,250 if married filing separately). If the result is not a whole number, round it up to the next higher whole number (for example, increase 0.0004 to 1)</p> <p>6. Multiply line 5 by 2% (.02) and enter the result as a decimal amount</p> <p>7. Multiply line 1 by line 6</p> <p>8. Deduction for exemptions. Subtract line 7 from line 1. Enter the result here and on Form 1040, line 42</p> | <p>1. <u>4,050</u></p> <p>2. <u>938,929</u></p> <p>3. <u>259,400</u></p> <p>4. <u>679,529</u></p> <p>5. _____</p> <p>6. _____</p> <p>7. _____</p> <p>8. <u>0</u></p> |
|--|--|

Form **1040****AMT Schedule D Tax Worksheet****2016**

Name

Clifford Laughton

Taxpayer Identification Number

NOTE: All forms referenced below refer to the AMT versions

1. Enter the amount from Form 6251, line 30 (However, if you are filing Form 2555 or 2555-EZ (relating to foreign earned income), enter instead the amount from line 3 of the AMT Foreign Earned Income Tax Worksheet in the instructions for Form 6251) **1. 891,847**
2. Enter your qualified dividends from Form 1040, line 9b (or Form 1040NR, line 10b) **2. _____**
3. Form 4952, line 4g amount **3. _____**
4. Form 4952, line 4e amount **4. _____**
5. Subtract line 4 from line 3. If zero or less, enter -0- **5. 0**
6. Subtract line 5 from line 2. If zero or less, enter -0- **6. 0**
7. Enter the **smaller** of line 15 or line 16 of Schedule D **7. 656,296**
8. Enter the **smaller** of line 3 or line 4 **8. _____**
9. Subtract line 8 from line 7. If zero or less, enter -0- **9. 656,296**
10. Add lines 6 and 9 **10. 656,296**
11. Add the AMT 28% Rate Capital Gain and the AMT Unrecaptured Section 1250 Gain **11. 71,120**
12. Enter the **smaller** of line 9 or line 11 **12. 71,120**
13. Subtract line 12 from line 10. Enter the result here and on Form 6251, line 37 **13. 585,176**

Form 1040	28% Rate Capital Gain & Unrecaptured Section 1250 Wrk, AMT	2016
Name Clifford Laughton		Taxpayer Identification Number [REDACTED]

28% Rate Capital Gain Tax Worksheet, AMT
All forms referenced are the AMT version of the form.

1. Enter the total of all collectibles gain or (loss) from items you reported on Form 8949, Part II 1. _____
2. Enter as a positive number the total of:
 - Any section 1202 exclusion you reported in column (g) of Form 8949 Part II with code "Q" in column (f), that is 50% of the gain;
 - 2/3 of any section 1202 exclusion you reported in column (g) of Form 8949, Part II, with code "Q" in column (f), that is 60% of the gain; and
 - 1/3 of any section 1202 exclusion you reported in column (g) of Form 8949, Part II, with code "Q" in column (f), that is 75% of the gain2. _____

Do not make an entry for any section 1202 exclusion that is 100% of the gain.
3. Enter the total of all collectibles gain or (loss) from Form 4684, line 4 (but only if Form 4684, line 15, is more than zero); Form 6252; Form 6781, Part II; and Form 8824 3. _____
4. Enter the total of any collectible gain reported to you on:

- Form 1099-DIV, box 2d;
 - Form 2439, box 1d; and
 - Schedule K-1 from a partnership, S corporation, estate, or trust

}

4. _____
5. Enter your long-term capital loss carryovers from Schedule D, line 14, and Schedule K-1 (Form 1041), box 11. Code C 5. (_____)
6. If Schedule D, line 7 is a (loss), enter that (loss) here. Otherwise, enter -0- 6. (_____ 0)
7. Combine lines 1 through 6. If zero or less, enter -0-. If more than zero, also enter this amount on Schedule D, line 18 7. _____

Unrecaptured Section 1250 Gain Worksheet - Form 6251, Line 39

All forms referenced are the AMT version of the form. If you are not reporting a gain on Form 4797, line 7, skip lines 1 through 9 and go to line 10

1. If you have a section 1250 property in Part III of Form 4797 for which you made an entry in Part I of Form 4797 (but not on Form 6252), enter the **smaller** of line 22 or line 24 of Form 4797 for that property 2. _____
2. Enter the amount from Form 4797, line 26g, for the property for which you made an entry on line 1 3. **71,120**
3. Subtract line 2 from line 1. *(Total amount is reported. See the Unrecaptured Section 1250 Gains stmt for detail) 4. _____
4. Enter the total unrecaptured section 1250 gain included on line 26 or line 37 of Form(s) 6252 from installment sales of trade or business property held more than 1 year 5. _____
5. Enter the total of any amounts reported to you on Sch K-1 from partnership/S corp as unrecap sect 1250 gain 6. **71,120**
6. Add lines 3 through 5 7. **71,120**
7. Enter the **smaller** of line 6 or gain from Form 4797, line 7 (AMT Form 4797 line 7 **656,296**) 8. _____
8. Enter the amount, if any, from Form 4797, line 8 9. **71,120**
9. Subtract line 8 from line 7. If zero or less, enter -0- 10. _____
10. Enter the gain from the sale/exchange of a partnership interest attributable to unrecaptured section 1250 gain 11. _____
11. Enter the total of any amounts reported to you as "unrecaptured section 1250 gain" on a Schedule K-1, Form 1099-DIV, or Form 2439 from an estate, trust, real estate investment trust, or mutual fund (or regulated investment company) or in connection with Form 1099-R 12. _____
12. Enter the total of any unrecaptured sect 1250 gain from sales (including installment sales) or other dispositions of section 1250 property held more than 1 year for which you did not make an entry in Form 4797 for the yr of sale 13. **71,120**
13. Add lines 9 through 12 14. _____
14. If you had any section 1202 gain or collectibles gain or (loss), enter the total of lines 1 through 4 of the **28% Rate Gain Worksheet** on page D-7. Otherwise, enter -0- 15. (_____ 0)
15. Enter the (loss), if any, from the Schedule D, line 7. If zero or gain enter -0- 16. _____
16. Enter your long-term capital loss carryovers from Sch D, line 14 and Schedule K-1 (Form 1041), box 11, code C 17. **0**
17. Combine lines 14 thru 16. If result is a (loss), enter it as a positive amount. If the result is zero or a gain, enter -0- 18. **71,120**
18. Subtract line 17 from line 13. If zero or less, enter -0-. Enter the result on Form 6251, page 2, line 39

Form 1040	AMT Disposition of Property/Exemption Worksheets	2016
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

Form 6251, Line 17 - Disposition of Property (difference between AMT and Regular Tax Gain or Loss)

- | | | |
|--|----|----------------|
| 1. Enter the amount of the AMT ordinary gain(loss) calculated on line 17 of AMT 4797 | 1. | |
| 2. Enter the amount of ordinary gain(loss) calculated on Form 4797, line 17 | 2. | |
| 3. Subtract line 2 from line 1. This is the adjustment from the disposition of ordinary income property. | 3. | 0 |
| 4. Enter the amount of the AMT taxable gain(loss) calculated on the AMT Sch D | 4. | 656,296 |
| 5. Enter the amount of the taxable capital gain(loss) reported 1040 line 13 | 5. | 656,296 |
| 6. Subtract line 5 from line 4. This is the adjustment from the disposition of capital income property. | 6. | 0 |
| 7. Add lines 3 and 6. This is the difference between AMT and regular tax gain or loss.
Enter the disposition of property adjustment on Form 6251 line 17 | 7. | 0 |

Form 6251, Line 29 - Exemption Worksheet

- | | | |
|---|-----|----------------|
| 1. Enter \$53,900 if single or head of household; \$83,800 if married filing jointly or qualifying widow(er); \$41,900 if married filing separately | 1. | 53,900 |
| 2. Enter your alternative minimum taxable income (AMTI) from Form 6251, line 28 | 2. | 891,847 |
| 3. Enter \$119,700 if single or head of household; \$159,700 if married filing jointly or qualifying widow(er); \$79,850 if married filing separately | 3. | 119,700 |
| 4. Subtract line 3 from line 2. If zero or less, enter -0- | 4. | 772,147 |
| 5. Multiply line 4 by 25% (.25) | 5. | 193,037 |
| 6. Subtract line 5 from line 1. If zero or less, enter -0-. If any of the three conditions under Certain Children Under Age 24 apply to you, complete lines 7 through 10. Otherwise, stop here and enter this amount on Form 6251, line 29, and go to Form 6251, line 30 | 6. | 0 |
| 7. Minimum exemption amount for certain children under age 24 | 7. | |
| 8. Enter your earned income , if any. See instructions | 8. | |
| 9. Add lines 7 and 8 | 9. | |
| 10. Enter the smaller of line 6 or line 9 here and on Form 6251, line 29, and go to Form 6251, line 30 | 10. | |

Form 1040	AMT Passive Activity and Loss Limit Adjustment Worksheet	2016
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

	Activity Name	Form/Schedule	Unit	Basis	At-risk	Passive	PTP	Farm
Column A	Rental Real Estate	Sch C	1			X		
Column B								
Column C								
Column D								
Column E								

Current Inc / (Loss) Before Adjustments:	Column A	Column B	Column C	Column D	Column E
1a Sch C, E, F / 4835 Inc/(Loss)	226 751				
1b K1 Rec Sch E, P2 Inc / (Loss)					
1c K1 Rec Sch E, P1 Inc / (Loss)					
1d K1 Rec 1040, P1 Inc / (Loss)					
1e K1 Rec Sch A Deductions					
1f K1 Rec Form 4684 Losses					
1g K1 Rec Other Deductions					
1 Total Current Inc / (Loss) (Lines 1a to 1g)	226 751				

Adjustments & Preference Items:	Column A	Column B	Column C	Column D	Column E
2a Depreciation post '86					
2b Depletion					
2c Circulation expenditures					
2d Depreciation pre '87					
2e Long-term contracts					
2f Research & experimental					
2g Tax shelter farm					
2h Large partnership					
2i Mining costs / amortization / patron's adj					
2j Trust/Estate adjustment					
2 Total Adjustment & Preference (Lines 2a to 2i)					

Alternative Minimum Tax Income:	Column A	Column B	Column C	Column D	Column E
3a Current Inc/(Loss) (from Line 1) <small>Alternative minimum tax</small>	226,751				
3b Adjustments & Preference (from Line 2)					
3c PY Suspended Basis					
3d Disallowed Basis					
3e PY Suspended At-Risk					
3f Disallowed At-Risk					
3g Section 179 Adjustment + Excess Farm					
3h PY Suspended Passive	-231 184				
3i Disallowed Passive					
3 AMT Income / Loss (Line 3a to 3i)	-4 433				

Regular Tax Income:	Column A	Column B	Column C	Column D	Column E
4a Current Inc/(Loss) (from Line 1) <small>Alternative minimum tax</small>	226 751				
4b PY Suspended Basis					
4c Disallowed Basis					
4d PY Suspended At-Risk					
4e Disallowed At-Risk					
4f Section 179 Adjustment + Excess Farm					
4g PY Suspended Passive	-231 184				
4h Disallowed Passive					
4 Regular Tax Inc / (Loss) (Lines 4a to 4h)	-4 433				

Form 6251, Line 19 - Passive Activities (All activities not marked passive or PTP)					
5 Passive Activities (Line 3 less Line 4)	0				
Form 6251, Line 20 - Loss Limitations (All activities not marked passive or PTP)					
6 Loss Limitation Activities (Line 3 less Line 4)					

Total of all passive activities to Form 6251, Line 19

0

Form 1040	Home Mortgage Limit Worksheet A	2016
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Name Clifford Laughton	Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>
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Part I Qualified Loan Limit

1. Enter the average balance for all your grandfathered debt. See line 1 instructions	1.	
2. Enter the average balance for all your home acquisition debt. See line 2 instructions	2.	1,490,144
3. Enter \$1,000,000 (\$500,000 if married filing separately)	3.	1,000,000
4. Enter the larger of the amount on line 1 or the amount on line 3	4.	1,000,000
5. Add the amounts on lines 1 and 2. Enter the total here	5.	1,490,144
6. Enter the smaller of the amount on line 4 or the amount on line 5	6.	1,000,000
7. Enter \$100,000 (\$50,000 if married filing separately). See line 7 instructions for limit that may apply	7.	100,000
8. Add the amounts on lines 6 and 7. Enter the total. This is your qualified loan limit	8.	1,100,000

Part II Deductible Home Mortgage Interest

9. Enter the total of the average balances for all mortgages on all qualified homes. See line 9 instructions	9.	1,490,144
<p>• If line 8 is less than line 9, go on to line 10</p> <p>• If line 8 is equal to or more than line 9, stop here. All of your interest on all the mortgages included on line 9 is deductible as home mortgage interest on Schedule A (Form 1040), line 10 or 11, whichever applies.</p>		
10. Enter the total amount of interest that you paid. See line 10 instructions	10.	53,621
11. Divide the amount on line 8 by the amount on line 9. Enter the result as a decimal amount (rounded to three places)	11.	0.738
12. Multiply the amount on line 10 by the decimal amount on line 11. Enter the result. This is your deductible home mortgage interest. Enter this amount on Schedule A (Form 1040), line 10 or 11, whichever applies	12.	39,572
13. Subtract the amount on line 12 from the amount on line 10. Enter the result. This is not home mortgage interest. See line 13 instructions	13.	14,049

Deductible Points

	Points reported on Form 1098	Points not reported on Form 1098
14. Points paid during current year	14. 6,498	14.
15. Decimal amount from Part II, line 11	15. 0.738	15. 0.738
16. Points deductible as home mortgage interest	16. 4,796	16.
17. Points not deductible as home mortgage interest	17. 1,702	17.

Form 1040	Mixed Use Mortgage Worksheets	2016
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Name Clifford Laughton	Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>
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Description of loan/property 611 Puuikena Dr, Honolulu, HI 96821	Loan Origination Date 02/25/16	Unit No. 1
---	---------------------------------------	-------------------

1. Enter the total principal amount paid in 2016	1.	<u>23,655</u>
2. Number of months loan was outstanding in 2016	2.	<u>10</u>
3. Home equity debt balance on 12/31/15 (or the first day mortgage was outstanding)	3.	<u> </u>
4. Home equity debt balance on 12/31/16 (or the last day mortgage was outstanding)	4.	<u> </u>
5. Average balance for 2016 of home equity debt	5.	<u> </u>
6. Grandfather debt balance on 12/31/15 (or the first day the mortgage was outstanding)	6.	<u> </u>
7. Grandfather debt balance on 12/31/16 (or the last day the mortgage was outstanding)	7.	<u> </u>
8. Average balance for 2016 of grandfather debt	8.	<u> </u>
9. Home acquisition/improvement debt on 12/31/15 (or the first day mortgage was outstanding)	9.	<u>1,800,000</u>
10. Home acquisition/improvement debt on 12/31/16 (or the last day mortgage was outstanding)	10.	<u>1,776,345</u>
11. Average balance for 2016 of home acquisition debt	11.	<u>1,490,144</u>
12. Average balance for 2016 of all types of debt	12.	<u>1,490,144</u>

Mixed Use Mortgage Summary

Average balance home equity debt for 2016	
Average balance grandfather debt for 2016; enter the result on Home Mortgage Limit Worksheet A, line 1	
Average balance home acquisition/improvement debt for 2016; enter the result on Home Mortgage Limit Wrk A, line 2	<u>1,490,144</u>
Average balance of all debt types for 2016; enter the result on Home Mortgage Limit Worksheet A, line 9	<u>1,490,144</u>

Form 1040	Form 8960 - Net Investment Income Worksheet 2	2016
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Name Clifford Laughton	Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>
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Form 8960, Line 7, Other modifications to investment income

Section 1411 Net Operating Loss

NOL Origination Year	Regular Tax NOL	Regular Tax NOL Utilized	Applicable Portion of NOL	Section 1411 NOL Utilized
Calendar Year 2014			0.0 %	
Calendar Year 2015			0.0 %	

Other Modifications to Investment Income

Description	Adjustment/Modification
Rental Real Estate	226,751
Additional modification	▶
Total other modifications	▶ 226,751

Deduction recovery amount from Form 8960 - Net Investment Income Worksheet 5

158

Other modifications to investment income. Enter on Form 8960, line 7

226,909

(Sum of Section 1411 NOL Utilized, Other modifications, and Deduction recovery)

Form 1040	Form 8960 - Net Investment Income Worksheet 3	2016
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

Form 8960, Lines 9 and 10, State income tax and Miscellaneous expenses allocable to investment income

<p>1. State and local income taxes</p> <p>2. Tax preparation fees</p> <p>3. Investment income, Form 8960 line 8</p> <p>4. Adjusted gross income</p> <p>5. Divide line 3 by line 4</p> <p>6. State and local tax allocable to net investment income (Multiply line 1 by line 5)</p> <p>7. Tax preparation fees allocable to net investment income (Multiply line 2 by line 5)</p> <p>Application of limitation under section 67</p> <p>8. Miscellaneous expenses allocable to net investment income</p> <p>9. Total miscellaneous expenses (line 7 plus line 8)</p> <p>10. Enter the limited miscellaneous deductions from line 27, Schedule A</p> <p>11. If line 10 is less than line 9, divide line 10 by line 9. Else, enter 1.00</p> <p>12. 8960 line 9c, Miscellaneous expenses after Sec 67 (Miscellaneous expenses from line 8 multiplied by line 11)</p> <p>13. 8960 line 10, Additional modifications after Sec 67 (Tax preparation fees from line 7 multiplied by line 11)</p> <p>Application of limitation under section 68</p> <p>14. Total of misc expenses after Sec 67 (line 12 + line 13)</p> <p>15. State and local taxes allocable to net investment income (line 6)</p> <p>16. Other itemized deductions</p> <p>17. Total</p> <p>18. Enter the total itemized deductions from line 29, Schedule A</p> <p>19. Deductions not subject to limitation under section 68</p> <p>20. Subtract line 19 from line 18. If zero or less, stop here. No deductions are allowed.</p> <p>21. If line 20 is less than line 17, divide line 20 by line 17. Else enter 1.00</p> <p>22. Form 8960 line 9b, State income tax (line 15 multiplied by line 21)</p> <p>23. Form 8960 line 9c, Miscellaneous investment expense (line 12 multiplied by line 21)</p> <p>24. Form 8960 line 10, Additional modifications (lines 13 and 16 multiplied by line 21)</p>	<p>See Stmt</p> <p>3. <u>883,794</u></p> <p>4. <u>938,929</u></p> <p>5. <u>0.9413</u></p> <p>9. _____</p> <p>10. _____</p> <p>11. <u>1.000</u></p> <p>18. <u>113,334</u></p> <p>19. _____</p>	<p>1. <u>82,205</u></p> <p>2. _____</p> <p>6. <u>77,380</u></p> <p>7. _____</p> <p>8. _____</p> <p>12. _____</p> <p>13. <u>0</u></p> <p>14. _____</p> <p>15. <u>77,380</u></p> <p>16. _____</p> <p>17. <u>77,380</u></p> <p>20. <u>113,334</u></p> <p>21. <u>1.000</u></p> <p>22. <u>77,380</u></p> <p>23. _____</p> <p>24. _____</p>
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Form 8960, Line 5c, Adjustment from disposition of partnership interest or S corporation stock

<p>1. Amount of net gain from the disposition of a partnership or S corporation to which section 1411(c)(4)(A) applies</p> <p>2. Amount of net gain included in net investment income after application of Regulations section 1.1411-7 (But not more than line 1)</p> <p>3. Enter the difference between line 1 and line 2 (Enter as a negative number)</p> <p>4. Amount of net loss from the disposition of a partnership or S corporation to which section 1411(c)(4)(A) applies</p> <p>5. Amount of net loss included in net investment income after application of Regulations section 1.1411-7 (But not more than line 4)</p> <p>6. Enter the difference between line 4 and line 5</p> <p>7. Amount of net gain attributable to payments received on an installment sale obligation that was attributable to the disposition of a partnership or S corporation in a prior year</p> <p>8. Amount of net gain attributable to installment sale obligations after application of Regulations section 1.1411-7 (But not more than line 7)</p> <p>9. Enter the difference between line 7 and line 8 (Enter as a negative number)</p> <p>10. Total adjustment from disposition of partnership interest or S corporation stock (Sum of lines 3, 6, and 9)</p> <p style="margin-left: 20px;">This is the amount reported on Form 8960 line 5c</p>	<p>1. _____</p> <p>2. _____</p> <p>3. _____</p> <p>4. _____</p> <p>5. _____</p> <p>6. _____</p> <p>7. _____</p> <p>8. _____</p> <p>9. _____</p> <p>10. _____</p>	<p>1. _____</p> <p>2. _____</p> <p>3. _____</p> <p>4. _____</p> <p>5. _____</p> <p>6. _____</p> <p>7. _____</p> <p>8. _____</p> <p>9. _____</p> <p>10. _____</p>
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Form 1040	Form 8960 - Net Investment Income Worksheet 5	2016
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

Form 8960, Line 7, Deduction Recoveries Worksheet

Year of recovery	2015
1. Total amount of recovery Amount of recovery included in gross income, including the amount of the recovery that would have been included in gross income but for the application of the tax benefit rule under section 111	1. 1,016
2. Enter the percentage of the deduction allocated to net investment income in the prior year	2. 98.82 %
3. Enter the lesser of (a) line 1 multiplied by line 2, or (b) the total amount deducted on the prior year Form 8960 attributable to item recovered	3. 1,004

Calculation of recoveries when the deduction was not taken into account in computing your section 1411 NOL

4. Multiply line 3 by .038	4. 38
5. Enter the amount of net investment income in the year of the deduction (previous year's Form 8960, line 12)	5. 226,570
6. Add the amount on line 3 to line 5	6. 227,574
7. Recalculate the NIIT for the year of the deduction by replacing the amount reported on Form 8960 line 12 with the amount reported on line 6 of this worksheet. Enter your recalculated NIIT here.	7. 2,357
8. Enter the NIIT reported for the year of the deduction	8. 2,357
9. Subtract line 8 from line 7	9. _____
10. Enter the smaller of line 4 or line 9	10. _____
11. Divide line 10 by 3.8% (.038). Enter this amount on Form 8960 line 7 in the year of the recovery.	11. _____

Calculation of recoveries when the deduction was taken into account in computing your section 1411 NOL

12. Enter the amount of the section 1411 NOL in the year of the deduction (entered as a positive number)	12. _____
13. Enter the amount of the section 1411 NOL in the year of the deduction recomputed without the amount on line 3	13. _____
14. Subtract line 13 from line 12. Enter this amount on Form 8960 line 7 in the year of the recovery.	14. _____

Form 1040	Form 8960 - Net Investment Income Worksheet 5	2016
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

Form 8960. Line 7. Deduction Recoveries Worksheet

Year of recovery **2014**

- | | | |
|--|----|----------------|
| 1. Total amount of recovery
Amount of recovery included in gross income, including the amount of the recovery that would have been included in gross income but for the application of the tax benefit rule under section 111 | 1. | 1,118 |
| 2. Enter the percentage of the deduction allocated to net investment income in the prior year | 2. | 14.04 % |
| 3. Enter the lesser of (a) line 1 multiplied by line 2, or (b) the total amount deducted on the prior year Form 8960 attributable to item recovered | 3. | 157 |

Calculation of recoveries when the deduction was not taken into account in computing your section 1411 NOL

- | | | |
|--|-----|---------------|
| 4. Multiply line 3 by .038 | 4. | 6 |
| 5. Enter the amount of net investment income in the year of the deduction (previous year's Form 8960, line 12) | 5. | 57,294 |
| 6. Add the amount on line 3 to line 5 | 6. | 57,451 |
| 7. Recalculate the NIIT for the year of the deduction by replacing the amount reported on Form 8960 line 12 with the amount reported on line 6 of this worksheet. Enter your recalculated NIIT here. | 7. | 2,183 |
| 8. Enter the NIIT reported for the year of the deduction | 8. | 2,177 |
| 9. Subtract line 8 from line 7 | 9. | 6 |
| 10. Enter the smaller of line 4 or line 9 | 10. | 6 |
| 11. Divide line 10 by 3.8% (.038). Enter this amount on Form 8960 line 7 in the year of the recovery. | 11. | 158 |

Calculation of recoveries when the deduction was taken into account in computing your section 1411 NOL

- | | | |
|---|-----|--|
| 12. Enter the amount of the section 1411 NOL in the year of the deduction (entered as a positive number) | 12. | |
| 13. Enter the amount of the section 1411 NOL in the year of the deduction recomputed without the amount on line 3 | 13. | |
| 14. Subtract line 13 from line 12. Enter this amount on Form 8960 line 7 in the year of the recovery. | 14. | |

Form 1040	Passive Activity Deduction Worksheet	2016
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Name Clifford Laughton Taxpayer Identification Number XXXXXXXXXX

Activity Rental Real Estate

Form Sch C Unit 1

Type Other passive

Entire Disposition of Activity

Regular Tax Loss Calculations

	Prior Year Suspended Losses	Current Year Generated	Current Year Utilized	Suspended Losses To Next Year
Operating	231,184		231,184	
Short-term capital loss				
Long-term capital loss				
28% rate capital loss				
Section 1231 loss				
Ordinary business loss				
Other Losses - 1040 pg 1				
Commercial revitalization				

Alternative Minimum Tax Loss Calculations

	Prior Year Suspended Losses	Current Year Generated	Current Year Utilized	Suspended Losses To Next Year
Operating	231,184		231,184	
Short-term capital loss				
Long-term capital loss				
28% rate capital loss				
Section 1231 loss				
Ordinary business loss				
Other Losses - 1040 pg 1				
Commercial revitalization				

Form 1040	Net Earnings from Self-Employment Worksheet	2016
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

	Taxpayer	Spouse
Farm profit or (loss)		
Schedule F	8,606	
Farm Partnerships - Schedule K-1, box 14, code A	()	()
Auto expense from farm partnerships	()	()
Amortization from farm partnerships	()	()
Depreciation & Section 179 from farm partnerships	()	()
Depletion from farm partnerships	()	()
Other expenses from farm partnerships	()	()
Home office expenses from farm partnerships	()	()
Unreimbursed partnership expenses from farm partnerships	()	()
Debt financed acquisition interest from farm partnerships	()	()
Farm adjustment to SE Income		
Net farm profit or (loss) - Schedule SE line 1a	8,606	0
Conservation Reserve Program payments to social security/disability benefit recipients included on Sch F, in 4b or listed on Sch K-1 (Form 1065), box 20, code Z - Sch SE line 1b	(0)	(0)
Nonfarm profit or (loss)		
Schedule C (excluding minister Schedule C income reported below)	-4,433	
Nonfarm partnerships - Schedule K-1, box 14, code A	()	()
Auto expense from nonfarm partnerships	()	()
Amortization from nonfarm partnerships	()	()
Depreciation & section 179 from nonfarm partnerships	()	()
Depletion from nonfarm partnerships	()	()
Other expenses from nonfarm partnerships	()	()
Home office expenses from nonfarm partnerships	()	()
Unreimbursed partnership expenses from nonfarm partnerships	()	()
Debt financed acquisition interest from nonfarm partnerships	()	()
Employee business expenses - Form 2106 (excluding minister 2106 expenses reported below)	()	()
Nonfarm adjustment to SE income		
Self-employment income reported as other income		
Self-employment income from contracts and straddles		
Minister/clergy self-employment income (from Clergy Worksheet Page 4, line 8)		
Net nonfarm profit or (loss) - Schedule SE line 2	-4,433	0
Other income items subject to and/or exempt from self-employment tax		
Fees received for services performed as a notary public	()	()
Earnings while debtor in a chapter 11 bankruptcy case		
Taxable community property income/-loss	()	()
Exempt community property income/-loss	()	()
Net adjustment included on Schedule SE, line 3	0	0
Net profit (loss) from self-employment activities - Schedule SE line 3	4,173	0
Church employee income - Schedule SE, Page 2 line 5a		

Form 1040	Social Security Worksheet	2016
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

If you are married filing separately and you **lived apart** from your spouse for all of 2016:

- Form 1040: Enter "D" to the right of the word "benefits" on line 20a.
- Form 1040A: Enter "D" to the right of the word "benefits" on line 14a.

1. Enter the total amount from box 5 of all your Forms SSA-1099 and Forms RRB-1099 (if applicable) Also enter this amount on Form 1040, line 20a or Form 1040A, line 14a	1. <u>30,933</u>
2. Enter one-half of line 1.	2. <u>15,467</u>
3. Add the amounts on Form 1040, lines 7, 8a, 8b, 9a, 10 through 14, 15b, 16b, 17 through 19, and line 21. Also, enter the total of any exclusion/adjustments for Qualified U.S. savings bond interest (Form 8815, line 14), adoption benefits (Form 8839, line 24), foreign earned income or housing (Form 2555, lines 45 and 50), certain income of bona fide residents of American Samoa (Form 4563, line 15) or Puerto Rico	3. <u>912,692</u>
4. Add lines 2 and 3	4. <u>928,159</u>
5. Enter the total adjustments from Form 1040, line 36, minus any amounts on Form 1040, lines 33, 34, and 35	5. <u>56</u>
6. Subtract line 5 from line 4	6. <u>928,103</u>
7. Enter \$25,000 (\$32,000 if married filing jointly; \$0 if married filing separately and you lived with your spouse at any time during 2016)	7. <u>25,000</u>
8. Subtract line 7 from line 6. If zero or less, enter -0- <ul style="list-style-type: none"> • If line 8 is zero, stop here. None of your benefits are taxable. Enter -0- on Form 1040, line 20b or on Form 1040A, line 14b. If you are married filing separately and you lived apart from your spouse for all of 2016, enter -0- on Form 1040, line 20b, or on Form 1040A, line 14b • If line 8 is more than zero, go to line 9. 	8. <u>903,103</u>
9. Enter \$9,000 (\$12,000 if married filing jointly; \$0 if married filing separately and you lived with your spouse at any time during 2016)	9. <u>9,000</u>
10. Subtract line 9 from line 8. If zero or less, enter -0-	10. <u>894,103</u>
11. Enter the smaller of line 8 or line 9	11. <u>9,000</u>
12. Enter one half of line 11	12. <u>4,500</u>
13. Enter the smaller of line 2 or line 12	13. <u>4,500</u>
14. Multiply line 10 by 85% (.85). If line 10 is zero, enter -0-	14. <u>759,988</u>
15. Add lines 13 and 14	15. <u>764,488</u>
16. Multiply line 1 by 85% (.85)	16. <u>26,293</u>
17. Taxable benefits. Enter the smaller of line 15 or line 16. Also enter this amount on Form 1040, line 20b or Form 1040A, line 14b.	17. <u>26,293</u>

Note: If part of your benefits are taxable for 2016 and they include benefits paid in 2016 that were for an earlier year, you may be able to reduce the taxable amount shown on the worksheet. See Pub. 915 for details

Form 1040	Tax Refund Worksheets	2016
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

	2015	2014	2013
1. State and local tax refunds	1.		
2a. State and local tax refunds with no tax benefit derived	2a.		
2b. Sales tax benefit reduction	2b.		
3. Net state and local tax refunds. Subtract lines 2a and 2b from line 1	3.		
4. Total itemized deductions from Schedule A	4.		
5. Standard deduction	5.		
6. Subtract line 5 from line 4. If result is zero or less, STOP here The amount on line 3 is not taxable	6.		
7. Enter the smaller of line 3 or line 6	7.		
8. Taxable income (If taxable income is a negative amount, enter that amount as a negative. Adjust taxable income for any NOL carryover.)	8.		
9. Enter the following amount to include on Form 1040, line 10: If line 8 is:	9.		
• 0 or more, enter the amount from line 7.			
• A negative amount, add lines 7 and 8 and enter net amount, but not less than zero			

Tax Refund Worksheet for Itemized Deduction Limitation

	2015	2014	2013
1. State and local tax refunds subject to phase-out	1. 1,016	1,118	
2a. State and local tax refunds with no tax benefit derived	2a.		
2b. Sales tax benefit reduction	2b.		
3. Net state and local tax refunds. Subtract lines 2a and 2b from line 1	3. 1,016	1,118	
Itemized deductions before state and local tax refunds:			
4. Adjusted gross income	4. 262,021	429,551	
5. AGI threshold	5. 258,250	254,200	
6. Line 4 minus line 5	6. 3,771	175,351	
7. Itemized deductions before phase-out	7. 32,740	48,497	
8. Itemized deductions subject to phase-out	8. 32,740	48,497	
9. Multiply line 6 by 3% (.03)	9. 113	5,261	
10. Multiply line 8 by 80% (.80)	10. 26,192	38,798	
11. Phase-out (smaller of line 9 or line 10)	11. 113	5,261	
12. Allowable itemized deductions (line 7 minus line 11)	12. 32,627	43,236	
Itemized deductions adjusted for state and local tax refund:			
13. Adjusted itemized deductions before phase-out (line 7 minus line 3)	13. 31,724	47,379	
14. Adjusted itemized deductions subject to phase-out (line 8 minus line 3)	14. 31,724	47,379	
15. Multiply line 14 by 80% (.80)	15. 25,379	37,903	
16. Adjusted phase-out (smaller of line 9 or 15)	16. 113	5,261	
17. Adjusted itemized deductions allowed (line 13 minus line 16)	17. 31,611	42,118	
18. Standard deduction	18. 7,850	7,750	
19. Enter the larger of line 17 or line 18	19. 31,611	42,118	
20. Line 12 minus line 19	20. 1,016	1,118	
21. Taxable income (If taxable income is a negative amount, enter that amount as a negative. Adjust taxable income for any NOL carryover.)	21. 225,554	386,315	
22. Enter the following amount to include on Form 1040, line 10: If line 21 is:	22. 1,016	1,118	
• 0 or more, enter the amount from line 20.			
• A negative amount, add lines 20 and 21 and enter net amount, but not less than zero			

Form 1040	Tax Refund Worksheet - 2016 State and Local Refunds	2017
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

CA

- | | | |
|---|----|-----------|
| 1. 2016 payments paid in 2017 | 1. | |
| 2. 2016 extension paid in 2017 | 2. | 60 |
| 3. 2016 additional payment paid in 2017 | 3. | |
| 4. Total 2016 payments paid in 2017 (sum of lines 1 through 3) | 4. | 60 |
| 5. Total payments on the 2016 return | 5. | 60 |
| 6. Total 2016 overpayment/refund | 6. | 3 |
| 7. 2016 refund attributable to tax paid in 2017 (line 4 divided by line 5 multiplied by line 6) | 7. | 3 |
| 8. 2016 state/local tax refund attributable to tax paid in 2016 (line 6 minus line 7) | 8. | |

HI

- | | | |
|---|----|----------------|
| 1. 2016 payments paid in 2017 | 1. | |
| 2. 2016 extension paid in 2017 | 2. | 60,000 |
| 3. 2016 additional payment paid in 2017 | 3. | |
| 4. Total 2016 payments paid in 2017 (sum of lines 1 through 3) | 4. | 60,000 |
| 5. Total payments on the 2016 return | 5. | 141,215 |
| 6. Total 2016 overpayment/refund | 6. | 76,006 |
| 7. 2016 refund attributable to tax paid in 2017 (line 4 divided by line 5 multiplied by line 6) | 7. | 32,294 |
| 8. 2016 state/local tax refund attributable to tax paid in 2016 (line 6 minus line 7) | 8. | 43,712 |

- | | | |
|---|----|--|
| 1. 2016 payments paid in 2017 | 1. | |
| 2. 2016 extension paid in 2017 | 2. | |
| 3. 2016 additional payment paid in 2017 | 3. | |
| 4. Total 2016 payments paid in 2017 (sum of lines 1 through 3) | 4. | |
| 5. Total payments on the 2016 return | 5. | |
| 6. Total 2016 overpayment/refund | 6. | |
| 7. 2016 refund attributable to tax paid in 2017 (line 4 divided by line 5 multiplied by line 6) | 7. | |
| 8. 2016 state/local tax refund attributable to tax paid in 2016 (line 6 minus line 7) | 8. | |

- | | | |
|---|----|--|
| 1. 2016 payments paid in 2017 | 1. | |
| 2. 2016 extension paid in 2017 | 2. | |
| 3. 2016 additional payment paid in 2017 | 3. | |
| 4. Total 2016 payments paid in 2017 (sum of lines 1 through 3) | 4. | |
| 5. Total payments on the 2016 return | 5. | |
| 6. Total 2016 overpayment/refund | 6. | |
| 7. 2016 refund attributable to tax paid in 2017 (line 4 divided by line 5 multiplied by line 6) | 7. | |
| 8. 2016 state/local tax refund attributable to tax paid in 2016 (line 6 minus line 7) | 8. | |

- | | | |
|---|----|--|
| 1. 2016 payments paid in 2017 | 1. | |
| 2. 2016 extension paid in 2017 | 2. | |
| 3. 2016 additional payment paid in 2017 | 3. | |
| 4. Total 2016 payments paid in 2017 (sum of lines 1 through 3) | 4. | |
| 5. Total payments on the 2016 return | 5. | |
| 6. Total 2016 overpayment/refund | 6. | |
| 7. 2016 refund attributable to tax paid in 2017 (line 4 divided by line 5 multiplied by line 6) | 7. | |
| 8. 2016 state/local tax refund attributable to tax paid in 2016 (line 6 minus line 7) | 8. | |

Total of ALL 2016 state/local tax refunds attributable to tax paid in 2017 (sum of lines 7)	32,297
Total of ALL 2016 state/local tax refunds attributable to tax paid in 2016 (sum of lines 8; for 2017 Tax Refund Wrk)	43,712

Form 1040	Tax Refund Worksheet - No Tax Benefit Derived	2017
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

2016 State and Local Refunds Not Taxable in 2017 Due to AMT

1. Total refund attributable to 2016 (from total on Wrk 10, Tax Refund Wrk - 2016 State and Local Refunds)	1.	<u>43,712</u>
2. 2016 regular tax	2.	<u>162,968</u>
3. 2016 AMT	3.	<u>21,788</u>
4. 2016 Total Tax (line 2 + line 3)	4.	<u>184,756</u>
5. 2016 Federal Marginal Tax Rate	5.	<u>0.280</u>
6. Tentative no benefit (line 3 divided by line 5)	6.	<u>77,814</u>
7. Adjustment (smaller of line 1 or line 6)	7.	<u>43,712</u>
8. Recalculated 2016 Itemized Deductions	8.	<u>69,622</u>
9. Recalculated 2016 Taxable Income	9.	<u>869,307</u>
10. Recalculated 2016 Tax	10.	<u>178,536</u>
Recalculated 2016 Tax using Sch D Tax Wrk or QDCGTW <u>178,536</u>		
Recalculated 2016 Form 8615		
Recalculated 2016 Schedule J		
11. Recalculated 2016 AMT	11.	<u>8,405</u>
12. New 2016 Total Tax (line 10 + line 11)	12.	<u>186,941</u>
13. 2016 state and local refunds not taxable in 2017 due to AMT (equals line 7, if line 12 < or = line 4)	13.	<u>0</u>

The amount from Line 13 will carry to the 2017 Tax Refund Worksheet

Partial benefit will need to be determined. Line 12 is > line 4.

2016 State and Local Refunds Not Taxable in 2017 Due to Zero Tax

1. Total refund attributable to 2016 (from total on Wrk 10, Tax Refund Wrk - 2016 State and Local Refunds)	1.	
2. 2016 regular tax after credits	2.	
3. Recalculated 2016 tax after credits	3.	
4. Difference, if any (line 2 - line 3)	4.	
5. 2016 state and local refunds not taxable in 2017 due to zero tax (equals line 1, if line 4 = zero)	5.	

The amount from Line 5 will carry to the 2017 Tax Refund Worksheet

Federal Statements**Schedule A, Line 5 - State and Local Taxes**

Description	Amount
State Withholding on W-2s	\$ 19,133
State Tax Payments	990
Other State Withholding	62,082
Total Income Taxes*	82,205
General Sales Tax	3,445
Total Sales Taxes	3,445

*Income taxes are being deducted

Schedule A, Line 6 - Real Estate Taxes

Description	Amount
611 Puuikena Dr	\$ 3,728
EScrow-611 Puuikena Dr	2,839
Total	\$ 6,567

Schedule A, Line 10 - Home Mortgage Interest & Points From Form 1098

Description	Amount
Mortgage Int - Worksheet A	\$ 39,572
Deduct Points on 1098-HM WrkA	4,796
Total	\$ 44,368

Schedule A, Line 17 - Charitable Contributions Other Than Cash or Check

Description	Amount
50% Contrib from 8283	\$ 580
Total	\$ 580

Federal Statements**Rental Real Estate****Schedule C, Line 23 - Taxes and Licenses**

Description	Amount
Hawaii General Excise Tax	\$ 72,745
Licenses	794
Real estate taxes	153,752
Total	<u>\$ 227,291</u>

Federal Statements**Greystone Vineyards LLC****Schedule F, Line 2 - Sales of Products You Raised**

Description	Amount
Wine Grapes	\$ 18,474
Total	\$ 18,474

Greystone Vineyards LLC**Schedule F, Line 29 - Taxes**

Description	Amount
Licenses	\$ 20
Total	\$ 20

Federal Statements

Form 4797 - Unrecaptured Section 1250 Gains

Desc	Date Acq	Date Sold	(a) Ln 24	(b) Ln 22	Smaller (a)or(b)	-4797 Ln 26g	=Line 3 1250WS
Parking Stall	9/19/12	4/20/16	\$ 123,525	\$ 10,291	\$ 10,291	\$	\$ 10,291
Building Units	9/19/12	4/20/16	532,771	60,829	60,829		60,829
Total						\$ 0	\$ 71,120

Form 4797 - AMT Unrecaptured Section 1250 Gains

Desc	Date Acq	Date Sold	(a) Ln 24	(b) Ln 22	Smaller (a)or(b)	-4797 Ln 26g	=Line 3 1250WS
Parking Stall	9/19/12	4/20/16	\$ 123,525	\$ 10,291	\$ 10,291	\$	\$ 10,291
Building Units	9/19/12	4/20/16	532,771	60,829	60,829		60,829
Total						\$ 0	\$ 71,120

Federal Statements**Form 6251, Line 19 - Passive Activities**

<u>Description</u>	<u>Form/ Sch</u>	<u>AMT Inc/Loss</u>	<u>Regular Inc/Loss</u>	<u>Difference Line 19</u>
Rental Real Estate	Sch C	\$ -4,433	\$ -4,433	\$ 0
Total		\$ -4,433	\$ -4,433	\$ 0

Federal Statements**Form 8960 - Net Investment Income Worksheet 3 - State and Local Income Taxes**

<u>Description</u>	<u>Amount</u>
State Withholding on W-2s	\$ 19,133
Other State Withholding	62,082
State Tax Payments	990
Total	<u>\$ 82,205</u>

Federal Asset Report

Rental Real Estate

FYE: 12/31/2016

Asset	Description	Date In Service	Cost	Bus %	Sec 179 Bonus	Basis for Depn	PerConv Meth	Prior	Current
<u>Prior MACRS</u>									
1	Parking Stalls	9/19/12	1,960,035			1,960,035	39 MMS/L	165,430	50,258
2	Building Units	9/19/12	6,233,972			6,233,972	27 MMS/L	746,188	226,689
4	Parking Stall	9/19/12	112,002			112,002	39 MMS/L	9,453	838
	Sold/Scrapped: 4/20/16								
5	Building Units	9/19/12	466,831			466,831	27 MMS/L	55,878	4,951
	Sold/Scrapped: 4/20/16								
			<u>8,772,840</u>			<u>8,772,840</u>		<u>976,949</u>	<u>282,736</u>
<u>Amortization</u>									
3	Startup Legal Fees	9/20/12	3,800			3,800	15 MOAmort	844	254
			<u>3,800</u>			<u>3,800</u>		<u>844</u>	<u>254</u>
Grand Totals			8,776,640			8,776,640		977,793	282,990
Less: Dispositions and Transfers			578,833			578,833		65,331	5,789
Less: Start-up/Org Expense			0			0		0	0
Net Grand Totals			<u>8,197,807</u>			<u>8,197,807</u>		<u>912,462</u>	<u>277,201</u>

AMT Asset Report

Rental Real Estate

FYE: 12/31/2016

Asset	Description	Date In Service	Cost	Bus %	Sec 179	Bonus	Basis for Depn	PerConv Meth	Prior	Current
Prior MACRS:										
1	Parking Stalls	9/19/12	1,960,035				1,960,035	39 MMS/L	165,430	50,258
2	Building Units	9/19/12	6,233,972				6,233,972	27 MMS/L	746,188	226,689
4	Parking Stall	9/19/12	112,002				112,002	39 MMS/L	9,453	838
	Sold/Scrapped: 4/20/16									
5	Building Units	9/19/12	466,831				466,831	27 MMS/L	55,878	4,951
	Sold/Scrapped: 4/20/16									
			<u>8,772,840</u>				<u>8,772,840</u>		<u>976,949</u>	<u>282,736</u>
Grand Totals			8,772,840				8,772,840		976,949	282,736
Less: Dispositions and Transfers			578,833				578,833		65,331	5,789
Net Grand Totals			<u>8,194,007</u>				<u>8,194,007</u>		<u>911,618</u>	<u>276,947</u>

Depreciation Adjustment Report
All Business Activities

FYE: 12/31/2016

Form	Unit	Asset	Description	Tax	AMT	AMT Adjustments/ Preferences
<u>MACRS Adjustments:</u>						
C	1	1	Parking Stalls	50,258	50,258	0
C	1	2	Building Units	226,689	226,689	0
C	1	4	Parking Stall	838	838	0
C	1	5	Building Units	4,951	4,951	0
				<u>282,736</u>	<u>282,736</u>	<u>0</u>

Form 1040		Salaries & Wages Report		2016	
Name Clifford Laughton				Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 15px;"></div>	

T/S	Employer	Federal Wages	Federal Withheld	Soc Sec Wages
A	Hawaii Holdings LLC	249,500	65,451	118,500
B				
C				
D				
E				
F				
G				
H				
I				
J				
K				
L				
M				
Taxpayer				
Spouse				
Totals		249,500	65,451	118,500

T/S	Soc Sec Withheld	Medicare Wages	Medicare Withheld	Soc Sec Tips	Allocated Tips	Dep Care Ben	Other, Box 14
A	7,347	249,500	4,064				
B							
C							
D							
E							
F							
G							
H							
I							
J							
K							
L							
M							
Taxpayer							
Spouse							
Totals		7,347	249,500	4,064			

T/S	State	State Wages	State Withheld	Name of Locality	Local Wages	Local Withheld
A	HI	249,500	19,133			
B						
C						
D						
E						
F						
G						
H						
I						
J						
K						
L						
M						
Taxpayer						
Spouse						
Totals		249,500	19,133			

2017 Form 1040-V

Department of the Treasury
Internal Revenue Service

What Is Form 1040-V

It's a statement you send with your check or money order for any balance due on the "Amount you owe" line of your 2017 Form 1040, Form 1040A, Form 1040EZ, or Form 1040NR.

Consider Making Your Tax Payment Electronically - It's Easy

You can make electronic payments online, by phone, or from a mobile device. Paying electronically is safe and secure. When you schedule your payment you will receive immediate confirmation from the IRS. Go to www.irs.gov/Payments to see all your electronic payment options.

How To Fill In Form 1040-V

Line 1. Enter your social security number (SSN).

If you are filing a joint return, enter the SSN shown first on your return.

Line 2. If you are filing a joint return, enter the SSN shown second on your return.

Line 3. Enter the amount you are paying by check or money order. If paying at IRS.gov don't complete this form.

Line 4. Enter your name(s) and address exactly as shown on your return. Please print clearly.

How To Prepare Your Payment

- Make your check or money order payable to "United States Treasury." Don't send cash. If you want to pay in cash, in person, see *Pay by cash*.

- Make sure your name and address appear on your check or money order.

- Enter your daytime phone number and your SSN on your check or money order. If you have an Individual Taxpayer Identification Number (ITIN), enter it wherever your SSN is requested. If you are filing a joint return, enter the SSN shown first on your return. Also enter "2017 Form 1040," "2017 Form 1040A," "2017 Form 1040EZ," or "2017 Form 1040NR," whichever is appropriate.

- To help us process your payment, enter the amount on the right side of your check like this: \$ XXX.XX. Don't use dashes or lines (for example, don't enter "\$ XXX—" or "\$ XXX ^{XX}/₁₀₀").

No checks of \$100 million or more accepted. The IRS can't accept a single check (including a cashier's check) for amounts of \$100,000,000 (\$100 million) or more. If you are sending \$100 million or more by check, you will need to spread the payments over two or more checks, with each check made out for an amount less than \$100 million.

Pay by cash. This is an in-person payment option for individuals provided through retail partners with a maximum of \$1,000 per day transaction. To make a cash payment, you must first be registered online at www.officialpayments.com/fed, our Official Payment provider.

How To Send In Your 2017 Tax Return, Payment, and Form 1040-V

- Don't staple or otherwise attach your payment or Form 1040-V to your return. Instead, just put them loose in the envelope.

- Mail your 2017 tax return, payment, and Form 1040-V to the address shown on the back that applies to you.

How To Pay Electronically

Pay Online

Paying online is convenient, secure, and helps make sure we get your payments on time. You can pay using either of the following electronic payment methods. To pay your taxes online or for more information, go to www.irs.gov/Payments.

Direct Pay

Pay your taxes directly from your checking or savings account at no cost to you. You receive instant confirmation that your payment has been made, and you can schedule your payment up to 30 days in advance.

Debit or Credit Card

The IRS doesn't charge a fee for this service; the card processors do. The authorized card processors and their phone numbers are all on www.irs.gov/Payments.

Mail To: Internal Revenue Service

P.O. Box 7704

San Francisco, CA 94120-7704

Form **1040-V** (2017)

☐ Detach Here and Mail With Your Payment and Return ☐

CUT HERE

Form 1040-V		Payment Voucher		2017	
1 Your social security number (SSN) (If a joint return, SSN shown first on your return)		2 If a joint return, SSN shown second on your return		3 Amount you are paying by check or money order. Make your check or money order payable to "United States Treasury"	
4 Your first name and initial Clifford		Last name Laughton		Dollars 73,712	
If a joint return, spouse's first name and initial		Last name		Cents	
Home address (number and street) 18124 Wedge Pkwy		Apt no 456		City, town or post office, state, and ZIP code (If a foreign address, also complete spaces below) Reno NV89511	
Foreign country name		Foreign province/state/county		Foreign postal code	

Form 1040 U.S. Individual Income Tax Return 2017		OMB No. 1545-0047	Do not write or print in this space																										
For the year Jan. 1–Dec. 31, 2017, or other tax year beginning 2017, ending 20		See GENERAL instructions																											
Your first name and initial Clifford	Last name Laughton	Your social security number [REDACTED]																											
If a joint return, spouse's first name and initial	Last name	Spouse's social security number																											
Home address (number and street). If you have a P.O. box, see instructions 18124 Wedge Pkwy		Apt. no. 456	<input type="checkbox"/> Make sure the SSN(s) above and on line 6c are correct																										
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions) Reno NV 89511		Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. <input type="checkbox"/> You <input type="checkbox"/> Spouse																											
Foreign country name		Foreign province/state/county																											
Foreign postal code																													
Filing Status <table border="0" style="width:100%;"> <tr> <td style="width:50%; vertical-align: top;"> 1 <input checked="" type="checkbox"/> Single 2 <input type="checkbox"/> Married filing jointly (even if only one had income) 3 <input type="checkbox"/> Married filing separately. Enter spouse's SSN above and full name here. </td> <td style="width:50%; vertical-align: top;"> 4 <input type="checkbox"/> Head of household (with qualifying person). If the qualifying person is a child (but not your dependent), enter this child's name here. 5 <input type="checkbox"/> Qualifying widow(er) (see instructions) </td> </tr> </table>				1 <input checked="" type="checkbox"/> Single 2 <input type="checkbox"/> Married filing jointly (even if only one had income) 3 <input type="checkbox"/> Married filing separately. Enter spouse's SSN above and full name here.	4 <input type="checkbox"/> Head of household (with qualifying person). If the qualifying person is a child (but not your dependent), enter this child's name here. 5 <input type="checkbox"/> Qualifying widow(er) (see instructions)																								
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Form 1040 **Clifford Laughton****Tax and Credits****Standard Deduction for—**

• People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions

• All others:
Single or Married filing separately, \$6,350
Married filing jointly or Qualifying widow(er), \$12,700
Head of household, \$9,350

38 Amount from line 37 (adjusted gross income)**38** 785,542**39a** Check ☒ You were born before January 2, 1953, if: ☐ Spouse was born before January 2, 1953, ☐ Blind. ☐ Blind.**Total boxes checked** ☒ **39a** 1**b** If your spouse itemizes on a separate return or you were a dual-status alien, check here ☒ **39b****40** Itemized deductions (from Schedule A) or your standard deduction (see left margin)**40** 102,642**41** Subtract line 40 from line 38**41** 682,900**42** Exemptions. If line 38 is \$156,900 or less, multiply \$4,050 by the number on line 6d. Otherwise, see instructions**42** 0**43** Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-**43** 682,900**44** Tax (see instr.) Check if any from: **a** ☐ Form(s) 8814 **b** ☐ Form 4972 **c** ☐**44** 198,971**45** Alternative minimum tax (see instructions). Attach Form 6251**45****46** Excess advance premium tax credit repayment. Attach Form 8962**46****47** Add lines 44, 45, and 46**47** 198,971**48** Foreign tax credit. Attach Form 1116 if required**48****49** Credit for child and dependent care expenses. Attach Form 2441**49****50** Education credits from Form 8863, line 19**50****51** Retirement savings contributions credit. Attach Form 8880**51****52** Child tax credit. Attach Schedule 8812, if required**52****53** Residential energy credits. Attach Form 5695**53****54** Other credits from Form(s) ☐ 3000 **b** ☐ 9801 **c** ☐**54****55** Add lines 48 through 54. These are your total credits**55****56** Subtract line 55 from line 47. If line 55 is more than line 47, enter -0-**56** 198,971**Other Taxes****57** Self-employment tax. Attach Schedule SE**57** 8,732**58** Unreported social security and Medicare tax from Form: **a** ☐ 4137 **b** ☐ 8919**58****59** Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required**59****60a** Household employment taxes from Schedule H**60a****b** First-time homebuyer credit repayment. Attach Form 5405 if required**60b****61** Health care: individual responsibility (see instructions) Full-year coverage ☒**61****62** Taxes from: **a** ☒ Form 8959 **b** ☒ Form 8960 **c** ☐ Instructions; enter code(s)**62** 18,917**63** Add lines 56 through 62. This is your total tax**63** 226,620**Payments**

If you have a qualifying child, attach Schedule EIC

64 Federal income tax withheld from Forms W-2 and 1099**64** 65,897**65** 2017 estimated tax payments and amount applied from 2016 return**65** 92,600**66a** Earned income credit (EIC)**66a****b** Nontaxable combat pay election **66b****66b****67** Additional child tax credit. Attach Schedule 8812**67****68** American opportunity credit from Form 8863, line 8**68****69** Net premium tax credit. Attach Form 8962**69****70** Amount paid with request for extension to file**70****71** Excess social security and tier 1 RRTA tax withheld**71****72** Credit for federal tax on fuels. Attach Form 4136**72****73** Credits from Form: **a** ☐ 2439 **b** ☐ Reserved **c** ☐ 8885**73****74** Add lines 64, 65, 66a, and 67 through 73. These are your total payments**74** 158,497**Refund****75** If line 74 is more than line 63, subtract line 63 from line 74. This is the amount you overpaid**75****76a** Amount of line 75 you want refunded to you. If Form 8888 is attached, check here ☐**76a**

Direct deposit? See instructions

b Routing number **a** Type ☐ Checking ☐ Savings**d** Account number **77** Amount of line 75 you want applied to your 2018 estimated tax ☒**77****Amount****78** Amount you owe. Subtract line 74 from line 63. For details on how to pay, see instructions**78** 69,939**You Owe****79** Estimated tax penalty (see instructions)**79** 1,816**Third Party Designee**Do you want to allow another person to discuss this return with the IRS (see instructions)? ☒ Yes. Complete below. ☐ No

Designee's name

◆ **Reid Tatsuguchi**

Personal identification number (PIN)

◆ **65213**

Phone no

◆ **808-589-2100****Sign Here**

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature

Date

Your occupation

Administrator

Spouse's signature. If a joint return, both must sign

Date

Spouse's occupation

Daytime phone number

If the IRS and you are unable to reach an agreement, you may file a protest with the IRS.

Print/Type preparer's name

Reid Tatsuguchi

Preparer's signature

Reid Tatsuguchi

Date

10/11/18Check ☐ Self-employed

PTIN

P00194634**Paid****Preparer**Firm's name ◆ **Tatsuguchi CPA LLC**Firm's EIN ◆ **20-1767081****Use Only**Firm's address ◆ **1314 S King St Ste 662**

Phone no

808-589-2100**Honolulu****HI 96814-1941****10/15 Int****1,729****FTP****2,044 Tot****73,712**Form **1040** (2017)

SCHEDULE A
(Form 1040)Department of the Treasury
Internal Revenue Service
Name(s) shown on Form 1040**Itemized Deductions**◆ Go to www.irs.gov/ScheduleA for instructions and the latest information.
▶ Attach to Form 1040.**Caution:** If you are claiming a net qualified disaster loss on Form 4684, see the instructions for line 28

OMB No. 1545-0047

2017Attachment
Copy No. **07**

Your social security number

Clifford Laughton**Medical
and
Dental
Expenses****Caution:** Do not include expenses reimbursed or paid by others.

- 1 Medical and dental expenses (see instructions) **1**
- 2 Enter amount from Form 1040, line 38 **2** **785,542**
- 3 Multiply line 2 by 7.5% (0.075) **3** **58,916**
- 4 Subtract line 3 from line 1. If line 3 is more than line 1, enter -0- **4**

**Taxes You
Paid**

- 5 State and local (check only one box):

- a ☒ Income taxes, or
- b ☐ General sales taxes

- 6 Real estate taxes (see instructions) **6** **7,554**
- 7 Personal property taxes **7**
- 8 Other taxes List type and amount ▶ **8**

- 9 Add lines 5 through 8
- 9**
- 73,690**

**Interest
You Paid****Note:**
Your mortgage
interest
deduction may
be limited (see
instructions).

- 10 Home mortgage interest and points reported to you on Form 1098 **10** **43,923**
- 11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address ◆ **11**
- 12 Points not reported to you on Form 1098. See instructions for special rules **12**
- 13 Mortgage insurance premiums (see instructions) **13**
- 14 Investment interest. Attach Form 4952 if required. See instructions. **14**
- 15 Add lines 10 through 14 **15** **43,923**

**Gifts to
Charity**If you made a
gift and got a
benefit for it,
see instructions.

- 16 Gifts by cash or check. If you made any gift of \$250 or more, see instructions **16**
- 17 Other than by cash or check. If any gift of \$250 or more, see instructions. You must attach Form 8283 if over \$500 **17** **750**
- 18 Carryover from prior year **18**
- 19 Add lines 16 through 18 **19** **750**

**Casualty and
Theft Losses**

- 20 Casualty or theft loss(es) other than net qualified disaster losses. Attach Form 4684 and enter the amount from line 18 of that form. See instructions
- 20**

**Job Expenses
and Certain
Miscellaneous
Deductions**

- 21 Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. See instructions. ▶ **21**
- 22 Tax preparation fees **22** **786**
- 23 Other expenses—investment, safe deposit box, etc. List type and amount ▶ **23**
- 24 Add lines 21 through 23 **24** **786**
- 25 Enter amount from Form 1040, line 38 **25** **785,542**
- 26 Multiply line 25 by 2% (0.02) **26** **15,711**
- 27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0- **27** **0**

**Other
Miscellaneous
Deductions**

- 28 Other—from list in instructions. List type and amount ▶
- 28**

**Total
Itemized
Deductions**

- 29 Is Form 1040, line 38, over \$156,900?
- ☐ No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40. *
- ☒ Yes. Your deduction may be limited. See the Itemized Deductions Worksheet in the instructions to figure the amount to enter.

- 30 If you elect to itemize deductions even though they are less than your standard deduction, check here *** Limited by AGI** ▶ ☐

102,642

For Paperwork Reduction Act Notice, see the Instructions for Form 1040.

Schedule A (Form 1040) 2017

**SCHEDULE C
(Form 1040)****Profit or Loss From Business**

(Sole Proprietorship)

OMB No 1545-0074

2017Mastercard No **09**Department of the Treasury
Internal Revenue Service

◆ Go to www.irs.gov/ScheduleC for instructions and the latest information.
◆ Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

Name of proprietor

Clifford Laughton

Social security number (SSN)

A Principal business or profession, including product or service (see instructions)**Rental Real Estate****B** Enter code from Instructions◆ **531100****C** Business name. If no separate business name, leave blank.**Executive Centre Apartments LLC****D** Employer ID number (EIN) (see instr.)**35-2452476****E** Business address (including suite or room no.) ◆ **1088 Bishop St Ste 4100**

City, town or post office, state, and ZIP code

Honolulu HI 96813**F** Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ◆**G** Did you "materially participate" in the operation of this business during 2017? If "No," see instructions for limit on lossesYes ☐ No ☒**H** If you started or acquired this business during 2017, check here**I** Did you make any payments in 2017 that would require you to file Form(s) 1099? (see instructions)Yes ☐ No ☒**J** If "Yes," did you or will you file required Form(s) 1099?Yes ☐ No ☒**Part I Income****1** Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked◆ ☐**1** **2,165,981****2** Returns and allowances**2****3** Subtract line 2 from line 1**3** **2,165,981****4** Cost of goods sold (from line 42)**4****5** **Gross profit.** Subtract line 4 from line 3**5** **2,165,981****6** Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)**See Stmt 1****6** **36,099****7** **Gross income.** Add lines 5 and 6**7** **2,202,080****Part II Expenses. Enter expenses for business use of your home only on line 30.****8** Advertising**8****18** Office expense (see instructions)**18** **793****9** Car and truck expenses (see instructions)**9****19** Pension and profit-sharing plans**19****10** Commissions and fees**10****20** Rent or lease (see instructions):**20****11** Contract labor (see instructions)**11****a** Vehicles, machinery, and equipment**20a****12** Depletion**12****b** Other business property**20b** **276,886****13** Depreciation and section 179 expense deduction (not included in Part III) (see instructions)**13****273,600****21** Repairs and maintenance**21** **30,217****14** Employee benefit programs (other than on line 19)**14****22** Supplies (not included in Part III)**22** **18,149****15** Insurance (other than health)**15****12,271****23** Taxes and licenses**23** **275,073****16** Interest:**16****24** Travel, meals, and entertainment:**24****a** Mortgage (paid to banks, etc.)**16a****a** Travel**24a****b** Other**16b****351,590****b** Deductible meals and entertainment (see instructions)**24b****25** Utilities**25** **4,282****26** Wages (less employment credits)**26****17** Legal and professional services**17****23,929****27a** Other expenses (from line 48)**27a** **604,723****b** Reserved for future use**27b****28** **Total expenses** before expenses for business use of home. Add lines 8 through 27a

◆

28 **1,871,513****29** Tentative profit or (loss). Subtract line 28 from line 7**29** **330,567****30** Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions).**Simplified method filers only:** enter the total square footage of: (a) your home: _____

and (b) the part of your home used for business: _____ Use the Simplified

Method Worksheet in the instructions to figure the amount to enter on line 30

30**31** **Net profit or (loss).** Subtract line 30 from line 29.

- If a profit, enter on both **Form 1040, line 12** (or **Form 1040NR, line 13**) and on **Schedule SE, line 2**. (If you checked the box on line 1, see instructions). Estates and trusts, enter on **Form 1041, line 3**.

- If a loss, you **must** go to line 32.

31 **330,567****32** If you have a loss, check the box that describes your investment in this activity (see instructions).

- If you checked 32a, enter the loss on both **Form 1040, line 12**, (or **Form 1040NR, line 13**) and on **Schedule SE, line 2**. (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on **Form 1041, line 3**.

- If you checked 32b, you **must** attach **Form 6198**. Your loss may be limited.

32a ☐ All investment is at risk**32b** ☐ Some investment is not at risk

at risk

Clifford Laughton

Schedule C (Form 1040) 2017 **Rental Real Estate**

Page 2

Part III Cost of Goods Sold (see instructions)

33 Method(s) used to value closing inventory: a ☐ Cost b ☐ Lower of cost or market c ☐ Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory?
If "Yes," attach explanation

☐ Yes ☐ No

35 Inventory at beginning of year. If different from last year's closing inventory, attach explanation

35

36 Purchases less cost of items withdrawn for personal use

36

37 Cost of labor. Do not include any amounts paid to yourself

37

38 Materials and supplies

38

39 Other costs

39

40 Add lines 35 through 39

40

41 Inventory at end of year

41

42 Cost of goods sold. Subtract line 41 from line 40. Enter the result here and on line 4

42

Part IV Information on Your Vehicle. Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year) ◆

44 Of the total number of miles you drove your vehicle during 2017, enter the number of miles you used your vehicle for:

a Business

b Commuting (see instructions)

c Other

45 Was your vehicle available for personal use during off-duty hours?

☐ Yes ☐ No

46 Do you (or your spouse) have another vehicle available for personal use?

☐ Yes ☐ No

47a Do you have evidence to support your deduction?

☐ Yes ☐ No

b If "Yes," is the evidence written?

☐ Yes ☐ No

Part V Other Expenses. List below business expenses not included on lines 8-26 or line 30.

Bank Service Charge

-108

Maintenance Fees

592,321

Outside Services

9,334

Telephone

2,923

Amortization

253

48 Total other expenses. Enter here and on line 27a

48 604,723

**SCHEDULE D
(Form 1040)**Department of the Treasury
Internal Revenue Service (99)**Capital Gains and Losses**

◆ Attach to Form 1040 or Form 1040NR.

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

◆ Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.

OMB No. 1545-0074

2017Attachment
Sequence No. 12

Name(s) shown on return

Clifford Laughton

Your social security number

Part I Short-Term Capital Gains and Losses — Assets Held One Year or Less

See instructions for how to figure the amounts to enter on the lines below

This form may be easier to complete if you round off cents to whole dollars

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b.				
1b Totals for all transactions reported on Form(s) 8949 with Box A checked				
2 Totals for all transactions reported on Form(s) 8949 with Box B checked				
3 Totals for all transactions reported on Form(s) 8949 with Box C checked				
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824				4
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				5
6 Short-term capital loss carryover. Enter the amount, if any, from line 8 of your Capital Loss Carryover Worksheet in the instructions				6
7 Net short-term capital gain or (loss). Combine lines 1a through 6 in column (h). If you have any long-term capital gains or losses, go to Part II below. Otherwise, go to Part III on the back				7 0

Part II Long-Term Capital Gains and Losses — Assets Held More Than One Year

See instructions for how to figure the amounts to enter on the lines below

This form may be easier to complete if you round off cents to whole dollars

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b.				
8b Totals for all transactions reported on Form(s) 8949 with Box D checked				
9 Totals for all transactions reported on Form(s) 8949 with Box E checked				
10 Totals for all transactions reported on Form(s) 8949 with Box F checked				
11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824				11 143,028
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				12
13 Capital gain distributions. See the instructions				13
14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your Capital Loss Carryover Worksheet in the instructions				14
15 Net long-term capital gain or (loss). Combine lines 8a through 14 in column (h). Then go to Part III on the back				15 143,028

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule D (Form 1040) 2017

Clifford Laughton

Schedule D (Form 1040) 2017

Page **2****Part III Summary**

16 Combine lines 7 and 15 and enter the result	16	143,028
<ul style="list-style-type: none"> • If line 16 is a gain, enter the amount from line 16 on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 17 below. • If line 16 is a loss, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22. • If line 16 is zero, skip lines 17 through 21 below and enter -0- on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 22. 		
17 Are lines 15 and 16 both gains? <input checked="" type="checkbox"/> Yes. Go to line 18. <input type="checkbox"/> No. Skip lines 18 through 21, and go to line 22.		
18 If you are required to complete the 28% Rate Gain Worksheet (see instructions), enter the amount, if any, from line 7 of that worksheet	18	
19 If you are required to complete the Unrecaptured Section 1250 Gain Worksheet (see instructions), enter the amount, if any, from line 18 of that worksheet	19	15,134
20 Are lines 18 and 19 both zero or blank? <input type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42). Don't complete lines 21 and 22 below. <input checked="" type="checkbox"/> No. Complete the Schedule D Tax Worksheet in the instructions. Don't complete lines 21 and 22 below.		
21 If line 16 is a loss, enter here and on Form 1040, line 13, or Form 1040NR, line 14, the smaller of: <ul style="list-style-type: none"> • The loss on line 16 or • (\$3,000), or if married filing separately, (\$1,500) Note: When figuring which amount is smaller, treat both amounts as positive numbers.	21	
22 Do you have qualified dividends on Form 1040, line 9b, or Form 1040NR, line 10b? <input type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42). <input type="checkbox"/> No. Complete the rest of Form 1040 or Form 1040NR.		

Schedule D (Form 1040) 2017

SCHEDULE F
(Form 1040)Department of the Treasury
Internal Revenue Service**Profit or Loss From Farming**◆ Attach to Form 1040, Form 1040NR, Form 1041, Form 1065, or Form 1065-B.
◆ Go to www.irs.gov/ScheduleF for instructions and the latest information.**2017**
Attachment
Sequence No **14**

Name of proprietor

Social security number (SSN)

Clifford Laughton**A** Principal crop or activity**Wine Grapes****B** Enter code from Part IV◆ **111900****C** Accounting method:☒ Cash ☐ Accrual**D** Employer ID number (EIN), (see Instr.)**46-5732910****E** Did you "materially participate" in the operation of this business during 2017? If "No," see instructions for limit on passive losses.☒ Yes ☐ No**F** Did you make any payments in 2017 that would require you to file Form(s) 1099 (see instructions)?☐ Yes ☒ No**G** If "Yes," did you or will you file required Forms 1099?☐ Yes ☒ No**Part I Farm Income – Cash Method. Complete Parts I and II (Accrual method. Complete Parts II and III, and Part I, line 9.)**

1a Sales of livestock and other resale items (see instructions)	1a		
b Cost or other basis of livestock or other items reported on line 1a	1b		
c Subtract line 1b from line 1a		1c	
2 Sales of livestock, produce, grains, and other products you raised		2	
3a Cooperative distributions (Form(s) 1099-PATR)	3a	3b Taxable amount	3b
4a Agricultural program payments (see instructions)	4a	4b Taxable amount	4b
5a Commodity Credit Corporation (CCC) loans reported under election		5a	
b CCC loans forfeited	5b	5c Taxable amount	5c
6 Crop insurance proceeds and federal crop disaster payments (see instructions)			
a Amount received in 2017	6a	6b Taxable amount	6b
c If election to defer to 2018 is attached, check here <input type="checkbox"/>		6d Amount deferred from 2016	6d
7 Custom hire (machine work) income		7	
8 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)		8	
9 Gross income. Add amounts in the right column (lines 1c, 2, 3b, 4b, 5a, 5c, 6b, 6d, 7, and 8). If you use the accrual method, enter the amount from Part III, line 50. See instructions.		9	

Part II Farm Expenses – Cash and Accrual Method. Do not include personal or living expenses. See instructions.

10 Car and truck expenses (see instructions). Also attach Form 4562	10		23 Pension and profit-sharing plans	23	
11 Chemicals	11		24 Rent or lease (see instructions):		
12 Conservation expenses (see instructions)	12		a Vehicles, machinery, equipment	24a	
13 Custom hire (machine work)	13		b Other (land, animals, etc.)	24b	
14 Depreciation and section 179 expense (see instructions)	14		25 Repairs and maintenance	25	
15 Employee benefit programs other than on line 23	15		26 Seeds and plants	26	
16 Feed	16		27 Storage and warehousing	27	
17 Fertilizers and lime	17		28 Supplies	28	
18 Freight and trucking	18		29 Taxes	29	625
19 Gasoline, fuel, and oil	19		30 Utilities	30	367
20 Insurance (other than health)	20	3,528	31 Veterinary, breeding, and medicine	31	
21 Interest:			32 Other expenses (specify):		
a Mortgage (paid to banks, etc.)	21a		a	32a	
b Other	21b		b	32b	
22 Labor hired (see employment contract)	22		c	32c	
			d	32d	
			e	32e	
			f	32f	
33 Total expenses. Add lines 10 through 32f. If line 32f is negative, see instructions			33		4,520
34 Net farm profit or (loss). Subtract line 33 from line 9			34		-4,520

If a profit, stop here and see instructions for where to report. If a loss, complete lines 35 and 36

35 Did you receive an applicable subsidy in 2017? See instructions☐ Yes ☒ No**36** Check the box that describes your investment in this activity and see instructions for where to report your loss.☒ **a** All investment is at risk. ☐ **b** Some investment is not at risk.

For Paperwork Reduction Act Notice, see the separate instructions.

Schedule F (Form 1040) 2017

Name of person with self-employment income (as shown on Form 1040 or Form 1040NR)

Social security number of person with self-employment income

Clifford Laughton

Section B — Long Schedule SE

Part I Self-Employment Tax

Note: If your only income subject to self-employment tax is church employee income, see instructions. Also see instructions for the definition of church employee income.

A If you are a minister, member of a religious order, or Christian Science practitioner and you filed Form 4361, but you had \$400 or more of other net earnings from self-employment, check here and continue with Part I ☐

1a Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A. **Note:** Skip lines 1a and 1b if you use the farm optional method (see instructions)

b If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code Z

2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see instructions for types of income to report on this line. See instructions for other income to report. **Note:** Skip this line if you use the nonfarm optional method (see instructions)

3 Combine lines 1a, 1b, and 2

4a If line 3 is more than zero, multiply line 3 by 92.35% (0.9235). Otherwise, enter amount from line 3

Note: If line 4a is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions.

b If you elect one or both of the optional methods, enter the total of lines 15 and 17 here

c Combine lines 4a and 4b. If less than \$400, stop; you don't owe self-employment tax.

Exception: If less than \$400 and you had church employee income, enter -0- and continue

5a Enter your church employee income from Form W-2. See instructions for definition of church employee income

b Multiply line 5a by 92.35% (0.9235). If less than \$100, enter -0-

6 Add lines 4c and 5b

7 Maximum amount of combined wages and self-employment earnings subject to social security tax or the 6.2% portion of the 7.65% railroad retirement (tier 1) tax for 2017

8a Total social security wages and tips (total of boxes 3 and 7 on Form(s) W-2) and railroad retirement (tier 1) compensation. If \$127,200 or more, skip lines 8b through 10, and go to line 11

b Unreported tips subject to social security tax (from Form 4137, line 10)

c Wages subject to social security tax (from Form 8919, line 10)

d Add lines 8a, 8b, and 8c

9 Subtract line 8d from line 7. If zero or less, enter -0- here and on line 10 and go to line 11

10 Multiply the smaller of line 6 or line 9 by 12.4% (0.124)

11 Multiply line 6 by 2.9% (0.029)

12 Self-employment tax. Add lines 10 and 11. Enter here and on Form 1040, line 57, or Form 1040NR, line 55

13 Deduction for one-half of self-employment tax.

Multiply line 12 by 50% (0.50). Enter the result here and on Form 1040, line 27, or Form 1040NR, line 27

Part II Optional Methods To Figure Net Earnings (see instructions)

Farm Optional Method. You may use this method only if (a) your gross farm income¹ wasn't more than \$7,800, or (b) your net farm profits² were less than \$5,631.

14 Maximum income for optional methods

15 Enter the smaller of: two-thirds ($\frac{2}{3}$) of gross farm income¹ (not less than zero) or \$5,200. Also include this amount on line 4b above

Nonfarm Optional Method. You may use this method only if (a) your net nonfarm profits³ were less than \$5,631 and also less than 72.189% of your gross nonfarm income,⁴ and (b) you had net earnings from self-employment of at least \$400 in 2 of the prior 3 years. **Caution:** You may use this method no more than five times.

16 Subtract line 15 from line 14

17 Enter the smaller of: two-thirds ($\frac{2}{3}$) of gross nonfarm income⁴ (not less than zero) or the amount on line 16. Also include this amount on line 4b above

¹ From Sch. F, line 9, and Sch. K-1 (Form 1065), box 14, code B.

² From Sch. F, line 34, and Sch. K-1 (Form 1065), box 14, code A — minus the amount you would have entered on line 1b had you not used the optional method

³ From Sch. C, line 31; Sch. C-EZ, line 3; Sch. K-1 (Form 1065), box 14, code A; and Sch. K-1 (Form 1065-B), box 9, code J1.

⁴ From Sch. C, line 7; Sch. C-EZ, line 1; Sch. K-1 (Form 1065), box 14, code C; and Sch. K-1 (Form 1065-B), box 9, code J2.

Form 4797

Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts
Under Sections 179 and 280F(b)(2))

◆ **Attach to your tax return.**

Department of the Treasury
Revenue Service

• Go to www.irs.gov/Form4797 for instructions and the latest information.

OMP 14.1515.01M

2017

Attachment
Sequence No

27

Name(s) shown on return

Identifying number

Clifford Laughton

1 Enter the gross proceeds from sales or exchanges reported to you for 2017 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2 **10**, or 20. See instructions.

Part I	Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft—Most Property Held More Than 1 Year (see instructions)
---------------	--

2 (a) Description of property	(b) Date acquired (mo , day, yr.)	(c) Date sold (mo , day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and net book value	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)

3 Gain, if any, from Form 4684, line 39

4 Section 1231 gain from installment sales from Form 6252, line 26 or 37

5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824

6 Gain, if any, from line 32, from other than casualty or theft.

7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows:

Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.

Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you didn't have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.

8 Nonrecaptured net section 1231 losses from prior years. See instructions

9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return. See instructions.

Part II Ordinary Gains and Losses (see instructions)

10 ~~Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less)~~

11 Loss, if any, from line 7

12 Gain, if any, from line 7 or amount from line 8, if applicable

13 Gain, if any, from line 31

14 Net gain or (loss) from Form 4684, lines 31 and 38a

15 Ordinary gain from installment sales from Form 6252, line 25 or 36

16 Ordinary gain or (loss) from like-kind exchanges from Form 8824.

17 Combine lines 10 through 16

18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:

a If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from "Form 4797, line 18a." See instructions.

ii. Redetermine the gain or (loss) on life 17 excluding the loss, if any, on life 15a. Enter here and on Form 1040, line 14

For Paperwork Reduction Act Notice, see separate instructions.

Form **4797** (2017)

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255

(see instructions)

19	(a) Description of section 1245, 1250, 1252, 1254, or 1255 property:	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)
A	Parking Stalls	09/19/12	01/17/17
B	Building Units	09/19/12	01/17/17
C			
D			

These columns relate to the properties on lines 19A through 19D.		Property A	Property B	Property C	Property D
20	Gross sales price (Note: See line 1 before completing.)	20 45,950	204,050		
21	Cost or other basis plus expense of sale	21 22,447	99,659		
22	Depreciation (or depletion) allowed or allowable	22 2,069	13,065		
23	Adjusted basis. Subtract line 22 from line 21	23 20,378	86,594		
24	Total gain. Subtract line 23 from line 20	24 25,572	117,456		
25	If section 1245 property:				
a	Depreciation allowed or allowable from line 22	25a			
b	Enter the smaller of line 24 or 25a	25b			
26	If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.				
a	Additional depreciation after 1975. See instructions	26a			
b	Applicable percentage multiplied by the smaller of line 24 or line 26a. See instructions	26b			
c	Subtract line 26a from line 24. If residential rental property or line 24 isn't more than line 26a, skip lines 26d and 26e	26c			
d	Additional depreciation after 1969 and before 1976	26d			
e	Enter the smaller of line 26c or 26d	26e			
f	Section 291 amount (corporations only)	26f			
g	Enter the smaller of line 26e or 26f	26g	0	0	
27	If section 1252 property: Skip this section if you didn't dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership).				
a	Soil, water, and land clearing expenses	27a			
b	Line 27a multiplied by applicable percentage. See instructions	27b			
c	Enter the smaller of line 24 or 27b	27c			
28	If section 1254 property:				
a	Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion. See instructions	28a			
b	Enter the smaller of line 24 or 28a	28b			
29	If section 1255 property:				
a	Applicable percentage of payments excluded from income under section 126. See instructions	29a			
b	Enter the smaller of line 24 or 29a. See instructions	29b			

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.

30	Total gains for all properties. Add property columns A through D, line 24	30	143,028
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13	31	
32	Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 35	32	143,028

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less

(see instructions)

	(a) Section 179	(b) Section 280F(b)(2)
33	Section 179 expense deduction or depreciation allowable in prior years	33
34	Recomputed depreciation. See instructions	34
35	Recapture amount. Subtract line 34 from line 33. See the instructions for where to report	35

Form

8959Department of the Treasury
Internal Revenue Service**Additional Medicare Tax**

◆ If any line does not apply to you, leave it blank. See separate instructions.

◆ Attach to Form 1040, 1040NR, 1040-PR, or 1040-SS.

◆ Go to www.irs.gov/Form8959 for instructions and the latest information.

OMB No. 1545-0074

2017

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Name(s) shown on return

Clifford Laughton

Your social security number

Part I Additional Medicare Tax on Medicare Wages

1 Medicare wages and tips from Form W-2, box 5. If you have more than one Form W-2, enter the total of the amounts from box 5	1	249,500	
2 Unreported tips from Form 4137, line 6	2		
3 Wages from Form 8919, line 6	3		
4 Add lines 1 through 3	4	249,500	
5 Enter the following amount for your filing status: Married filing jointly \$250,000 Married filing separately \$125,000 Single, Head of household, or Qualifying widow(er) \$200,000	5	200,000	
6 Subtract line 5 from line 4. If zero or less, enter -0-	6		49,500
7 Additional Medicare Tax on Medicare wages. Multiply line 6 by 0.9% (0.009). Enter here and go to Part II	7		446

Part II Additional Medicare Tax on Self-Employment Income

8 Self-employment income from Schedule SE (Form 1040), Section A, line 4, or Section B, line 6. If you had a loss, enter -0- (Form 1040-PR and Form 1040-SS filers, see instructions.)	8	301,104	
9 Enter the following amount for your filing status: Married filing jointly \$250,000 Married filing separately \$125,000 Single, Head of household, or Qualifying widow(er) \$200,000	9	200,000	
10 Enter the amount from line 4	10	249,500	
11 Subtract line 10 from line 9. If zero or less, enter -0-	11	0	
12 Subtract line 11 from line 8. If zero or less, enter -0-	12		301,104
13 Additional Medicare Tax on self-employment income. Multiply line 12 by 0.9% (0.009). Enter here and go to Part III	13		2,710

Part III Additional Medicare Tax on Railroad Retirement Tax Act (RRTA) Compensation

14 Railroad retirement (RRTA) compensation and tips from Form(s) W-2, box 14 (see instructions)	14		
15 Enter the following amount for your filing status: Married filing jointly \$250,000 Married filing separately \$125,000 Single, Head of household, or Qualifying widow(er) \$200,000	15	200,000	
16 Subtract line 15 from line 14. If zero or less, enter -0-	16		0
17 Additional Medicare Tax on railroad retirement (RRTA) compensation. Multiply line 16 by 0.9% (0.009). Enter here and go to Part IV	17		

Part IV Total Additional Medicare Tax

18 Add lines 7, 13, and 17. Also include this amount on Form 1040, line 62, (Form 1040NR, 1040-PR, and 1040-SS filers, see instructions) and go to Part V	18		3,156
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Part V Withholding Reconciliation

19 Medicare tax withheld from Form W-2, box 6. If you have more than one Form W-2, enter the total of the amounts from box 6	19	4,064	
20 Enter the amount from line 1	20	249,500	
21 Multiply line 20 by 1.45% (0.0145). This is your regular Medicare tax withholding on Medicare wages	21	3,618	
22 Subtract line 21 from line 19. If zero or less, enter -0-. This is your Additional Medicare Tax withholding on Medicare wages	22		446
23 Additional Medicare Tax withholding on railroad retirement (RRTA) compensation from Form W-2, box 14 (see instructions)	23		
24 Total Additional Medicare Tax withholding. Add lines 22 and 23. Also include this amount with federal income tax withholding on Form 1040, line 64 (Form 1040NR, 1040-PR, and 1040-SS filers, see instructions)	24		446

For Paperwork Reduction Act Notice, see your tax return instructions.

Form **8959** (2017)

Form **8960****Net Investment Income Tax—
Individuals, Estates, and Trusts**

◆ Attach to your tax return.

OMB No. 1545-2227

2017Attachment
Sequence No. **72**Department of the Treasury
Internal Revenue Service (IRS)◆ Go to www.irs.gov/Form8960 for instructions and the latest information.

Name(s) shown on your tax return

Your social security number or EIN

Clifford Laughton**Part I Investment Income**

Section 6013(g) election (see instructions)

Section 6013(h) election (see instructions)

Regulations section 1.1411-10(g) election (see instructions)

1	Taxable interest (see instructions)	1	585
2	Ordinary dividends (see instructions)	2	
3	Annuities (see instructions)	3	
4a	Rental real estate, royalties, partnerships, S corporations, trusts, etc. (see instructions)		
4b	Adjustment for net income or loss derived in the ordinary course of a non-section 1411 trade or business (see instructions)		
4c	Combine lines 4a and 4b		
5a	Net gain or loss from disposition of property (see instructions)	5a	143,028
5b	Net gain or loss from disposition of property that is not subject to net investment income tax (see instructions)	5b	
5c	Adjustment from disposition of partnership interest or S corporation stock (see instructions)	5c	
5d	Combine lines 5a through 5c	5d	143,028
6	Adjustments to investment income for certain CFCs and PFICs (see instructions)	6	
7	Other modifications to investment income (see instructions)	7	330,567
8	Total investment income. Combine lines 1, 2, 3, 4c, 5d, 6, and 7	8	474,180

Part II Investment Expenses Allocable to Investment Income and Modifications

9a	Investment interest expenses (see instructions)	9a	
9b	State, local, and foreign income tax (see instructions)	9b	59,414
9c	Miscellaneous investment expenses (see instructions)	9c	
9d	Add lines 9a, 9b, and 9c	9d	59,414
10	Additional modifications (see instructions)	10	
11	Total deductions and modifications. Add lines 9d and 10	11	59,414

Part III Tax Computation

12	Net investment income. Subtract Part II, line 11 from Part I, line 8. Individuals complete lines 13–17. Estates and trusts complete lines 18a–21. If zero or less, enter -0-	12	414,766
13	Modified adjusted gross income (see instructions)	13	785,542
14	Threshold based on filing status (see instructions)	14	200,000
15	Subtract line 14 from line 13. If zero or less, enter -0-	15	585,542
16	Enter the smaller of line 12 or line 15	16	414,766
17	Net investment income tax for individuals. Multiply line 16 by 3.8% (.038). Enter here and include on your tax return (see instructions)	17	15,761
18a	Net investment income (line 12 above)	18a	
18b	Deductions for distributions of net investment income and deductions under section 642(c) (see instructions)	18b	
18c	Undistributed net investment income. Subtract line 18b from 18a (see instructions). If zero or less, enter -0-	18c	
19a	Adjusted gross income (see instructions)	19a	
19b	Highest tax bracket for estates and trusts for the year (see instructions)	19b	
19c	Subtract line 19b from line 19a. If zero or less, enter -0-	19c	
20	Enter the smaller of line 18c or line 19c	20	
21	Net investment income tax for estates and trusts. Multiply line 20 by 3.8% (.038). Enter here and include on your tax return (see instructions)	21	

For Paperwork Reduction Act Notice, see your tax return instructions.

Form **8960** (2017)

Form **8283**

(Rev. December 2014)

Department of the Treasury
Internal Revenue Service**Noncash Charitable Contributions**◆ Attach to your tax return if you claimed a total deduction
of over \$500 for all contributed property.

OMB No. 1545-0008

Attachment
Sequence No.**155**◆ Information about Form 8283 and its separate instructions is at www.irs.gov/form8283.

Name(s) shown on your income tax return

Clifford Laughton

Identifying number

Note. Figure the amount of your contribution deduction before completing this form. See your tax return instructions.**Section A. Donated Property of \$5,000 or Less and Publicly Traded Securities**—List in this section **only** items (or groups of similar items) for which you claimed a deduction of \$5,000 or less. Also list publicly traded securities even if the deduction is more than \$5,000 (see instructions).**Part I Information on Donated Property**—If you need more space, attach a statement.

1	(a) Name and address of the donee organization	(b) If donated property is a vehicle (see instructions), check the box. Also enter the vehicle identification number (unless Form 1098-C is attached)	(c) Description of donated property (For a vehicle, enter the year, make, model, and mileage. For securities, enter the name of the security and the number of shares.)
A	The Salvation Army 2950 Manoa Rd Honolulu HI 96822	<input type="checkbox"/>	Misc office equipment and refrigerators
B	Helping Hands Hawaii 2100 N. Nimitz Hwy Honolulu HI 96819	<input type="checkbox"/>	Clothing, sml electrical items-7 trips
C		<input type="checkbox"/>	
D		<input type="checkbox"/>	
E		<input type="checkbox"/>	

Note. If the amount you claimed as a deduction for an item is \$500 or less, you do not have to complete columns (c), (d), and (g).

	(d) Date of the contribution	(e) Date acquired by donor (mo., yr.)	(f) How acquired by donor	(g) Donor's cost or adjusted basis	(h) Fair market value (see instructions)	(i) Method used to determine the fair market value
A	Various	Various	Purchase	800	150	Thrift Shop Value
B	Various	Various	Purchase	1,475	600	Thrift Shop Value
C						
D						
E						

Part II Partial Interests and Restricted Use Property—Complete lines 2a through 2e if you gave less than an entire interest in a property listed in Part I. Complete lines 3a through 3c if conditions were placed on a contribution listed in Part I; also attach the required statement (see instructions).**2a** Enter the letter from Part I that identifies the property for which you gave less than an entire interest
If Part II applies to more than one property, attach a separate statement.**b** Total amount claimed as a deduction for the property listed in Part I: (1) For this tax year (2) For any prior tax years**c** Name and address of each organization to which any such contribution was made in a prior year (complete only if different from the donee organization above):

Name of charitable organization (donee)

Address (number, street, and room or suite no.)

City or town, state, and ZIP code

d For tangible property, enter the place where the property is located or kept ◆**e** Name of any person, other than the donee organization, having actual possession of the property ◆**3a** Is there a restriction, either temporary or permanent, on the donee's right to use or dispose of the donated property?**b** Did you give to anyone (other than the donee organization or another organization participating with the donee organization in cooperative fundraising) the right to the income from the donated property or to the possession of the property, including the right to vote donated securities, to acquire the property by purchase or otherwise, or to designate the person having such income, possession, or right to acquire?**c** Is there a restriction limiting the donated property for a particular use?

Yes	No

For Paperwork Reduction Act Notice, see separate instructions.

Form **8283** (Rev. 12-2014)

Federal Statements**Rental Real Estate****Statement 1 - Schedule C, Line 6 - Other Income**

<u>Description</u>	<u>Amount</u>
Application Fee Income	\$ 2,160
Late Fees	12,086
Lease Termination Fee	3,592
Lock Out Income	138
Property Management Fees	18,123
Total	<u>\$ 36,099</u>

COPY - Do not file

Form **4868**

Department of the Treasury

Internal Revenue Service

(on bottom of page)

Application for Automatic Extension of Time To File U.S. Individual Income Tax Return

◆ Go to www.irs.gov/Form4868 for the latest information.

OMB No. 1545-0074

2017

Extension request originally filed electronically

Form **4868**

(Rev. November 2017)

Department of the Treasury

Internal Revenue Service

Application for Automatic Extension of Time To File U.S. Individual Income Tax Return

OMB No. 1545-0074

2017

Part I Identification				Part II Individual Income Tax	
1 Your name(s) (see instructions) Tatsuguchi CPA LLC Clifford Laughton				4 Estimate of total tax liability for 2017 \$	60,362
Address (see instructions) 1314 S King St Ste 662				5 Total 2017 payments	68,146
City, town, or post office Honolulu				6 Balance due. Subtract line 5 from line 4 (see instructions)	0
State HI				7 Amount you're paying (see instr.)	0
ZIP Code 96814-1941				8 Check here if you're "out of the country" and a U.S. citizen or resident (see instructions)	<input type="checkbox"/>
2 Your social security number		3 Spouse's social security number		9 Check here if you file Form 1040NR or 1040NR-EZ and didn't receive wages as an employee subject to U.S. income tax withholding	<input type="checkbox"/>

For Privacy Act and Paperwork Reduction Act Notice, see page 4.

Form **4868** (2017) (Rev. 11-2017)

Form **1040****Schedule D Tax Worksheet****2017**

Name **Clifford Laughton** Taxpayer Identification Number XXXXXXXXXX

1. Enter your taxable income from Form 1040, line 43 (or Form 1040NR, Line 41) (However, if you are filing Form 2555 or 2555-EZ (relating to foreign earned income), enter instead the amount from line 3 of the Foreign Earned Income Tax Worksheet) **1** 682,900
2. Enter your qualified dividends from Form 1040, line 9b (or Form 1040NR, line 10b) **2.** _____
3. Form 4952, line 4g amount **3.** _____
4. Form 4952, line 4e amount* **4.** _____
5. Subtract line 4 from line 3. If zero or less, enter -0- **5.** 0
6. Subtract line 5 from line 2. If zero or less, enter -0- **6.** 0
7. Enter the smaller of line 15 or line 16 of Schedule D **7.** 143,028
8. Enter the smaller of line 3 or line 4 **8.** _____
9. Subtract line 8 from line 7. If zero or less, enter -0- **9.** 143,028
10. Add lines 6 and 9 **10.** 143,028
11. Add lines 18 and 19 of Schedule D** **11.** 15,134
12. Enter the smaller of line 9 or line 11 **12.** 15,134
13. Subtract line 12 from line 10 **13.** 127,894
14. Subtract line 13 from line 1. If zero or less, enter -0- **14.** 555,006
15. Enter \$37,950 if single or mfs; \$75,900 if MFJ or QW; \$50,800 if HOH; **15.** 37,950
16. Enter the smaller of line 1 or line 15 **16.** 37,950
17. Enter the smaller of line 14 or line 16 **17.** 37,950
18. Subtract line 10 from line 1. If zero or less, enter -0- **18.** 539,872
19. Enter the larger of line 17 or line 18 **19.** 539,872
20. Subtract line 17 from line 16. This amount is taxed at 0% **20.** _____
- If lines 1 and 16 are the same, skip lines 21 through 41 and go to line 42. Otherwise, go to line 21.
21. Enter the smaller of line 1 or line 13 **21.** 127,894
22. Enter the amount from line 20 (if line 20 is blank, enter -0-) **22.** 0
23. Subtract line 22 from line 21. If zero or less, enter -0- **23.** 127,894
24. Enter \$418,400 Sgl; \$235,350 MFS; \$470,700 MFJ/QW; \$444,550 HOH **24.** 418,400
25. Enter the smaller of line 1 or line 24 **25.** 418,400
26. Add lines 19 and 20 **26.** 539,872
27. Subtract line 26 from line 25. If zero or less, enter -0- **27.** 0
28. Enter the smaller of line 23 or line 27 **28.** _____
29. Multiply line 28 by 15% (.15) **29.** _____
30. Add lines 22 and 28 **30.** _____
- If lines 1 and 30 are the same, skip lines 31 through 41 and go to line 42. Otherwise, go to line 31.
31. Subtract line 30 from line 21 **31.** 127,894
32. Multiply line 31 by 20% (.20) **32.** 25,579
- If Schedule D, line 19, is zero or blank, skip lines 33 through 38 and go to line 39. Otherwise, go to line 33.
33. Enter the smaller of line 9 above or Schedule D, line 19 **33.** 15,134
34. Add lines 10 and 19 **34.** 682,900
35. Enter the amount from line 1 above **35.** 682,900
36. Subtract line 35 from line 34. If zero or less, enter -0- **36.** 0
37. Subtract line 36 from line 33. If zero or less, enter -0- **37.** 15,134
38. Multiply line 37 by 25% (.25) **38.** 3,784
- If Schedule D, line 18, is zero or blank, skip lines 39 through 41 and go to line 42. Otherwise, go to line 39.
39. Add lines 19, 20, 28, 31 and 37 **39.** _____
40. Subtract line 39 from line 1 **40.** _____
41. Multiply line 40 by 28% (.28) **41.** _____
42. Figure the tax on the amount on line 19. If the amount on line 19 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 19 is \$100,000 or more, use the Tax Computation Worksheet **42.** 169,608
43. Add lines 29, 32, 38, 41, and 42 **43.** 198,971
44. Figure the tax on the amount on line 1. If the amount on line 1 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 1 is \$100,000 or more, use the Tax Computation Worksheet **44.** 226,247
45. Tax on all taxable income (including capital gains and qualified dividends). Enter the smaller of line 43 or line 44. Also include this amount on Form 1040, line 44 (or Form 1040NR, line 42). (If you're filing Form 2555 or 2555-EZ, don't enter this amount on Form 1040, line 44. Instead, enter it on line 4 of the Foreign Earned Income Tax Worksheet in the Form 1040 instructions) **45.** 198,971

Form 1040	28% Rate Capital Gain and Unrecaptured Section 1250 Worksheets	2017
Name Clifford Laughton		Taxpayer Identification Number [REDACTED]

28% Rate Capital Gain Tax Worksheet - Schedule D Line 18

1. Enter the total of all collectibles gain or (loss) from items you reported on Form 8949, Part II 1. _____
2. Enter as a positive number the total of:
 - Any section 1202 exclusion you reported in column (g) of Form 8949 Part II with code "Q" in column (f), that is 50% of the gain;
 - 2/3 of any section 1202 exclusion you reported in column (g) of Form 8949, Part II, with code "Q" in column (f), that is 60% of the gain; and
 - 1/3 of any section 1202 exclusion you reported in column (g) of Form 8949, Part II, with code "Q" in column (f), that is 75% of the gain2. _____

Do not make an entry for any section 1202 exclusion that is 100% of the gain.
3. Enter the total of all collectibles gain or (loss) from Form 4684, line 4 (but only if Form 4684, line 15, is more than zero); Form 6252; Form 6781, Part II; and Form 8824 3. _____
4. Enter the total of any collectibles gain reported to you on:
 - Form 1099-DIV, box 2d;
 - Form 2439, box 1d; and
 - Schedule K-1 from a partnership, S corporation, estate, or trust.4. _____
5. Enter your long-term capital loss carryovers from Schedule D, line 14, and Schedule K-1 (Form 1041), box 11, Code C 5. (_____)
6. If Schedule D, line 7 is a (loss), enter that (loss) here. Otherwise, enter -0- 6. (0)
7. Combine lines 1 through 6. If zero or less, enter -0-. If more than zero, also enter this amount on Schedule D, line 18 7. _____

Unrecaptured Section 1250 Gain Worksheet - Schedule D Line 19

If you are not reporting a gain on Form 4797, line 7, skip lines 1 through 9 and go to line 10

1. If you have a section 1250 property in Part III of Form 4797 for which you made an entry in Part I of Form 4797 (but not on Form 6252), enter the **smaller** of line 22 or line 24 of Form 4797 for that property. If you did not have any such property, go to line 4. If you had more than one such property, see instructions 1. _____
2. Enter the amount from Form 4797, line 26g, for the property for you which you made an entry on line 1 2. _____
3. Subtract line 2 from line 1. *(Total amount is reported. See the Unrecaptured Section 1250 Gains stmt for detail) 3. **15,134**
4. Enter the total unrecaptured section 1250 gain included on line 26 or line 37 of Form(s) 6252 from installment sales of trade or business property held more than 1 year (see instructions) 4. _____
5. Enter the total of any amounts reported to you on a Schedule K-1 from a partnership or an S corporation as "unrecaptured section 1250 gain" 5. _____
6. Add lines 3 through 5 6. **15,134**
7. Enter the **smaller** of line 6 or the gain from 4797, line 7 (4797 line 7 **143,028**) 7. **15,134**
8. Enter the amount, if any, from Form 4797, line 8 8. _____
9. Subtract line 8 from line 7. If zero or less, enter -0- 9. **15,134**
10. Enter the amount of any gain from the sale or exchange of an interest in a partnership attributable to unrecaptured section 1250 gain (see instructions) 10. _____
11. Enter the total of any amounts reported to you as "unrecaptured section 1250 gain" on a Schedule K-1, Form 1099-DIV, or Form 2439 from an estate, trust, real estate investment trust, or mutual fund (or regulated investment company) or in connection with Form 1099-R 11. _____
12. Enter the total of any unrecaptured section 1250 gain from sales (including installment sales) or other dispositions of section 1250 property held more than 1 year for which you did not make an entry in Part I of Form 4797 for the year of sale (see instructions) 12. _____
13. Add lines 9 through 12 13. **15,134**
14. If you had any section 1202 gain or collectibles gain or (loss), enter the total of lines 1 through 4 of the **28% Rate Gain Worksheet**. Otherwise, enter -0- 14. _____
15. Enter the (loss), if any, from Sch D, line 7. If Sch D, line 7, is zero or a gain, enter -0- 15. (0)
16. Enter your long-term capital loss carryovers from Schedule D, line 14, and Schedule K-1 (Form 1041), box 11, code C* 16. (_____)
17. Combine lines 14 through 16. If the result is a (loss), enter it as a positive amount. If the result is zero or a gain enter -0- 17. **0**
18. **Unrecaptured section 1250 gain.** Subtract line 17 from line 13. If zero or less, enter -0-. Enter the result here and on Schedule D, line 19 18. **15,134**

*If you're filing form 2555 or 2555-EZ (relating to foreign earned income), see the footnote in the Foreign Earned Income Tax Worksheet

Form 1040	General Sales Tax Deduction Worksheet	2017
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Name as shown on return **Clifford Laughton** Taxpayer Identification Number XXXXXXXXXX

State of Hawaii	Locality of _____
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General Sales Tax from IRS Tables

1. Enter the amount of adjusted gross income (AGI) from Form 1040, Line 38	1. <u>785,542</u>
2. Add the nontaxable amounts from Form 1040, lines 8b, 15a, 16a, 20a (Exclude rollovers and tax-free Sec. 1035 exchanges)	2. <u>4,771</u>
3. Add the following nontaxable items: nontaxable combat pay, public assistance, veteran's benefits, and workers' compensation. Also include any amounts which increase spendable income, such as the refundable portion of refundable tax credits received in 2017	3. _____
4. Add lines 1 through 3, this is income for general sales tax table purposes	4. <u>790,313</u>
5. Enter the amount from the sales tax table in the Schedule A instructions. Part-year residents, complete lines 6 - 8; Full-year residents skip lines 6 - 8 and enter the amount from line 5 on line 9	5. <u>1,758</u>
6. Enter the number of days of residence in state	6. _____
7. Total days in year	7. <u>365</u>
8. Divide line 6 by line 7 (rounded to at least 3 decimal places)	8. _____
9. Multiply line 5 by line 8, this is the deductible general sales tax using the IRS table.	9. <u>1,758</u>

Local Sales Tax Using IRS Tables

10. Enter the amount from the sales tax table in the Schedule A instructions.	10. _____
11. If you are a resident of Alaska, Arizona, Arkansas, Colorado, Georgia, Illinois, Louisiana, Mississippi (city of Jackson or Tupelo only), Missouri, New York State, North Carolina, South Carolina, Tennessee, Utah, or Virginia, enter the amount from the applicable Optional Local Sales Tax Table in the Schedule A instructions.	11. _____
12. Enter the local general sales tax rate (exclude statewide local sales tax rate)	12. _____
13. Enter the state general sales tax rate (include statewide local sales tax rate)	13. _____
14. Divide line 12 by line 13 (rounded to at least 3 decimal places)	14. _____
15. If you entered an amount on line 11, multiply line 11 by line 12. This is the local sales tax using the optional local sales tax tables. Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18 and enter the amount from line 15 on line 19 If you did not enter an amount on line 11, multiply line 10 by line 14. This is the local sales tax using the optional state and certain local sales tax tables. Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18 and enter the amount from line 15 on line 19	15. _____
16. Enter the number of days of residence in locality	16. _____
17. Total days in year	17. <u>365</u>
18. Divide line 16 by line 17 (rounded to at least 3 decimal places)	18. _____
19. Multiply line 15 by line 18. This is the deductible general local sales tax using the IRS tables.	19. _____

General Sales Tax Summary

20. Enter the sum of line 9 from all General Sales Tax Deduction Worksheets	20. _____
21. Enter the sum of line 19 from all General Sales Tax Deduction Worksheets	21. _____
22. Add lines 20 and 21, this is the total General Sales taxes using the tables	22. _____
23. Enter the actual state and local general sales taxes paid	23. _____
24. Enter the greater of line 22 or line 23	24. _____
25. Enter the state and local taxes paid on specified items (major purchases)	25. _____
26. Add lines 24 and 25, this is the deductible General Sales tax	26. _____
27. Enter total state and local income taxes paid	27. _____

Enter the greater of line 26 or 27 on Schedule A, line 5. If line 26 is greater, mark Schedule A, line 5b. If line 27 is greater, mark Schedule A, line 5a

Form 1040	General Sales Tax Deduction Worksheet	2017
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Name as shown on return **Clifford Laughton** Taxpayer Identification Number XXXXXXXXXX

State of **North Carolina** Locality of _____

General Sales Tax from IRS Tables

1. Enter the amount of adjusted gross income (AGI) from Form 1040, Line 38	1. <u>785,542</u>
2. Add the nontaxable amounts from Form 1040, lines 8b, 15a, 16a, 20a (Exclude rollovers and tax-free Sec 1035 exchanges)	2. <u>4,771</u>
3. Add the following nontaxable items: nontaxable combat pay, public assistance, veteran's benefits, and workers' compensation. Also include any amounts which increase spendable income, such as the refundable portion of refundable tax credits received in 2017	
4. Add lines 1 through 3, this is income for general sales tax table purposes	4. <u>790,313</u>
5. Enter the amount from the sales tax table in the Schedule A instructions. Part-year residents, complete lines 6 - 8; Full-year residents skip lines 6 - 8 and enter the amount from line 5 on line 9	5. <u>1,536</u>
6. Enter the number of days of residence in state	6. _____
7. Total days in year	7. <u>365</u>
8. Divide line 6 by line 7 (rounded to at least 3 decimal places)	8. _____
9. Multiply line 5 by line 8, this is the deductible general sales tax using the IRS table.	9. <u>1,536</u>

Local Sales Tax Using IRS Tables

10. Enter the amount from the sales tax table in the Schedule A instructions.	10. _____
11. If you are a resident of Alaska, Arizona, Arkansas, Colorado, Georgia, Illinois, Louisiana, Mississippi (city of Jackson or Tupelo only), Missouri, New York State, North Carolina, South Carolina, Tennessee, Utah, or Virginia, enter the amount from the applicable Optional Local Sales Tax Table in the Schedule A instructions.	11. _____
12. Enter the local general sales tax rate (exclude statewide local sales tax rate)	12. _____
13. Enter the state general sales tax rate (include statewide local sales tax rate)	13. _____
14. Divide line 12 by line 13 (rounded to at least 3 decimal places)	14. _____
15. If you entered an amount on line 11, multiply line 11 by line 12. This is the local sales tax using the optional local sales tax tables. Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18 and enter the amount from line 15 on line 19 If you did not enter an amount on line 11, multiply line 10 by line 14. This is the local sales tax using the optional state and certain local sales tax tables. Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18 and enter the amount from line 15 on line 19	15. _____
16. Enter the number of days of residence in locality	16. _____
17. Total days in year	17. <u>365</u>
18. Divide line 16 by line 17 (rounded to at least 3 decimal places)	18. _____
19. Multiply line 15 by line 18. This is the deductible general local sales tax using the IRS tables.	19. _____

General Sales Tax Summary

20. Enter the sum of line 9 from all General Sales Tax Deduction Worksheets	20. <u>3,294</u>
21. Enter the sum of line 19 from all General Sales Tax Deduction Worksheets	21. _____
22. Add lines 20 and 21, this is the total General Sales taxes using the tables	22. <u>3,294</u>
23. Enter the actual state and local general sales taxes paid	23. _____
24. Enter the greater of line 22 or line 23	24. <u>3,294</u>
25. Enter the state and local taxes paid on specified items (major purchases)	25. _____
26. Add lines 24 and 25, this is the deductible General Sales tax	26. <u>3,294</u>
27. Enter total state and local income taxes paid	27. <u>66,136</u>

Enter the greater of line 26 or 27 on Schedule A, line 5. If line 26 is greater, mark Schedule A, line 5b. If line 27 is greater, mark Schedule A, line 5a.

Form 1040	Itemized/Standard Deduction & Dependent MAGI Worksheets	2017
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

Itemized Deductions Worksheet

- | | | |
|--|-----|---------|
| 1. Enter the total of the amounts from Schedule A, lines 4, 9, 15, 19, 20, 27, and 28 | 1. | 118,363 |
| 2. Enter the total of the amounts from Schedule A, lines 4, 14, and 20, plus any gambling and casualty or theft losses included on line 28 and any qualified contributions included on line 16. Caution: Be sure your total gambling and casualty/theft losses are clearly identified on the dotted lines next to line 28. Also, be sure the amount of any qualified contributions included on line 16 are identified on the dotted line next to line 16. | 2. | |
| 3. Subtract line 2 from line 1. If the result is zero, stop here ; enter the amount from line 1 above on Schedule A, line 29 | 3. | 118,363 |
| 4. Multiply line 3 by 80% (.80) | 4. | 94,690 |
| 5. Enter the amount from Form 1040, line 38 | 5. | 785,542 |
| 6. Enter \$313,800 if married filing jointly or qualifying widow(er); \$287,650 if head of household; \$261,500 if single; or \$156,900 if married filing separately | 6. | 261,500 |
| 7. Subtract line 6 from line 5. If the result is zero or less, stop here ; enter the amount from line 1 above on Schedule A, line 29 | 7. | 524,042 |
| 8. Multiply line 7 by 3% (.03) | 8. | 15,721 |
| 9. Enter the smaller of line 4 or line 8 | 9. | 15,721 |
| 10. Total itemized deductions. Subtract line 9 from line 1. Enter the result here and on Schedule A, line 29 | 10. | 102,642 |

Standard Deduction Worksheet

- | | | |
|---|----|-------|
| 1. Enter the amount shown below for your filing status.
<input checked="" type="radio"/> Single or Married filing separately - \$6,350
<input type="radio"/> Married filing jointly or qualifying widow(er) - \$12,700
<input type="radio"/> Head of household - \$9,350 | 1. | 6,350 |
| 2. Can you (or your spouse if married, filing jointly) be claimed as a dependent?
<input checked="" type="checkbox"/> No. Skip line 3; enter the amount from line 1 on line 4.
<input type="checkbox"/> Yes. Go to line 3. | | |
| 3. Is your earned income more than \$700?
<input type="checkbox"/> Yes. Add \$350 to your earned income. Enter the total.
<input type="checkbox"/> No. Enter \$1,050 | 3. | |
| 4. Enter the smaller of line 1 or line 3. If under 65 and not blind, continue to line 6. Otherwise , go to line 5. | 4. | 6,350 |
| 5. Check if: <input checked="" type="checkbox"/> You were 65 or older <input type="checkbox"/> Blind ; <input type="checkbox"/> Spouse was 65 or older <input type="checkbox"/> Blind . Total boxes checked 1
If 65 or older or blind, multiply \$1,250 (\$1,550 if single or head of household) by the number in the box above | 5. | 1,550 |
| 6. Add lines 4 and 5. Enter the total here and on Form 1040, line 40 (Form 1040A, line 24) | 6. | 7,900 |

Dependent Modified Adjusted Gross Income Worksheet

- | | | |
|---|----|--|
| 1. Are you required to file a tax return?
<input type="checkbox"/> No. Do not include Dependent's modified adjusted gross income in Claiming Taxpayer's household income.
<input type="checkbox"/> Yes. Include Modified Adjusted Gross Income in claiming taxpayer's household income. | | |
| 2. Adjusted Gross Income. Enter the amount from Form 1040, Line 38. | 2. | |
| 3. Enter tax-exempt interest from Form 1040, line 8b. | 3. | |
| 4. Enter the amount from your Form 2555, lines 45 and 50, or Form 2555-EZ, line 18. | 4. | |
| 5. Dependent Modified Adjusted Gross Income for Claiming Taxpayer's Form 8962 and Form 8965. Combine lines 2 through 4 | 5. | |
| 6. Enter the total Social Security benefits from Form 1040, line 20a. | 6. | |
| 7. Enter the taxable Social Security benefits from Form 1040, line 20b. | 7. | |
| 8. Nontaxable Social Security benefits. Subtract line 7 from line 6. | 8. | |
| 9. Dependent Modified Adjusted Gross Income for Claiming Taxpayer's Individual Responsibility Worksheet. Add lines 5 and 8. | 9. | |

Form 1040	Exemption Worksheet	2017
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

Exemptions Worksheet

1. Multiply \$4,050 by the total number of exemptions claimed on Form 1040, line 6d 1. 4,050
2. Enter the amount from Form 1040, line 38 2. 785,542
3. Enter on line 3 the amount shown below for your filing status:

- Single - \$261,500
 - Married filing jointly or Qualifying widow(er) - \$313,800
 - Married filing separately - \$156,900
 - Head of household - \$287,650

}

3. 261,500
4. Subtract line 3 from line 2. If zero or less, **stop here**; enter the amount from line 1 above on Form 1040, line 42. 4. 524,042
Note: If line 4 is more than \$122,500 (more than \$61,250 if married filing separately), **stop here**; you **cannot** take a deduction for exemptions. Enter -0- on Form 1040, line 42.
5. Divide line 4 by \$2,500 (\$1,250 if married filing separately). If the result is not a whole number, round it up to the next higher whole number (for example, increase 0.0004 to 1) 5. _____
6. Multiply line 5 by 2% (.02) and enter the result as a decimal amount 6. _____
7. Multiply line 1 by line 6 7. _____
8. **Deduction for exemptions.** Subtract line 7 from line 1. Enter the result here and on Form 1040, line 42 8. 0

Form 1040	Home Mortgage Limit Worksheet A	2017
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

Part I Qualified Loan Limit

1. Enter the average balance for all your grandfathered debt. See line 1 instructions	1.	
2. Enter the average balance for all your home acquisition debt. See line 2 instructions	2.	1,754,824
3. Enter \$1,000,000 (\$500,000 if married filing separately)	3.	1,000,000
4. Enter the larger of the amount on line 1 or the amount on line 3	4.	1,000,000
5. Add the amounts on lines 1 and 2. Enter the total here	5.	1,754,824
6. Enter the smaller of the amount on line 4 or the amount on line 5	6.	1,000,000
7. Enter \$100,000 (\$50,000 if married filing separately). See line 7 instructions for limit that may apply	7.	100,000
8. Add the amounts on lines 6 and 7. Enter the total This is your qualified loan limit	8.	1,100,000

Part II Deductible Home Mortgage Interest

9. Enter the total of the average balances for all mortgages on all qualified homes. See line 9 instructions	9.	1,754,824
<p>● If line 8 is less than line 9, go on to line 10.</p> <p>● If line 8 is equal to or more than line 9, stop here. All of your interest on all the mortgages included on line 9 is deductible as home mortgage interest on Schedule A (Form 1040), line 10 or 11, whichever applies.</p>		
10. Enter the total amount of interest that you paid. See line 10 instructions	10.	70,052
11. Divide the amount on line 8 by the amount on line 9. Enter the result as a decimal amount (rounded to three places)	11.	0.627
12. Multiply the amount on line 10 by the decimal amount on line 11. Enter the result. This is your deductible home mortgage interest. Enter this amount on Schedule A (Form 1040), line 10 or 11, whichever applies	12.	43,923
13. Subtract the amount on line 12 from the amount on line 10. Enter the result. This is not home mortgage interest. See line 13 instructions	13.	26,129

Deductible Points

		Points reported on Form 1098		Points not reported on Form 1098
14. Points paid during current year	14.		14.	
15. Decimal amount from Part II, line 11	15.	0.627	15.	0.627
16. Points deductible as home mortgage interest	16.		16.	
17. Points not deductible as home mortgage interest	17.		17.	

Form 1040	Mixed Use Mortgage Worksheets	2017
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Name Clifford Laughton	Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>
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Description of loan/property 611 Puuikena Dr, Honolulu, HI 96821	Loan Origination Date 02/25/16	Unit No. 1
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1. Enter the total principal amount paid in 2017	1. 43,069
2. Number of months loan was outstanding in 2017	2. 12
3. Home equity debt balance on 12/31/16 (or the first day mortgage was outstanding)	3. _____
4. Home equity debt balance on 12/31/17 (or the last day mortgage was outstanding)	4. _____
5. Average balance for 2017 of home equity debt	5. _____
6. Grandfather debt balance on 12/31/16 (or the first day the mortgage was outstanding)	6. _____
7. Grandfather debt balance on 12/31/17 (or the last day the mortgage was outstanding)	7. _____
8. Average balance for 2017 of grandfather debt	8. _____
9. Home acquisition/improvement debt on 12/31/16 (or the first day mortgage was outstanding)	9. 1,776,358
10. Home acquisition/improvement debt on 12/31/17 (or the last day mortgage was outstanding)	10. 1,733,289
11. Average balance for 2017 of home acquisition debt	11. 1,754,824
12. Average balance for 2017 of all types of debt	12. 1,754,824

Mixed Use Mortgage Summary

Average balance home equity debt for 2017	
Average balance grandfather debt for 2017; enter the result on Home Mortgage Limit Worksheet A, line 1	
Average balance home acquisition/improvement debt for 2017; enter the result on Home Mortgage Limit Wrk A, line 2	1,754,824
Average balance of all debt types for 2017; enter the result on Home Mortgage Limit Worksheet A, line 9	1,754,824

Form 1040	Late Filing Interest and Penalty Worksheets	2017
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

Late Filing Interest Worksheet					
Description	Amount	Balance	# of Days	Interest Rate %	Interest Amount
Tax Due - 4/15/18	68,123	68,123			
4/15/18 - 6/30/18		68,123	76	5.00	713
6/30/18 - 9/30/18		68,836	92	5.00	873
9/30/18 - 10/15/18		69,709	15	5.00	143
Date Filed - 10/15/18		69,852			
Total Late Filing Interest (Int)					1,729

Late Payment Penalty Worksheet				
Description	Amount	Balance	# of Months	Penalty Amount
Tax Due - 4/15/18	68,123	68,123		
4/15/18 - 10/15/18		68,123	6	2,044
Date Filed - 10/15/18		70,167		
Total Late Payment Penalty (FTP)				2,044

Form 1040	Form 8960 - Net Investment Income Worksheet 2	2017
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Name Clifford Laughton	Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>
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Form 8960. Line 7. Other modifications to investment income

Section 1411 Net Operating Loss

NOL Origination Year	Regular Tax NOL	Regular Tax NOL Utilized	Applicable Portion of NOL	Section 1411 NOL Utilized
Calendar Year 2015			0.0 %	
Calendar Year 2016			0.0 %	
Calendar Year 2017			0.0 %	

Other Modifications to Investment Income

Description	Adjustment/Modification
Rental Real Estate	330,567
Additional modification	◆
Total other modifications	◆ 330,567

Deduction recovery amount from Form 8960 - Net Investment Income Worksheet 5

Other modifications to investment income. Enter on Form 8960, line 7

330,567

(Sum of Section 1411 NOL Utilized, Other modifications, and Deduction recovery)

Form 1040	Form 8960 - Net Investment Income Worksheet 3	2017
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em; display: inline-block;"></div>

Form 8960, Lines 9 and 10, State income tax and Miscellaneous expenses allocable to investment income

1. State and local income taxes	See Stmt	1. <u>98,433</u>
2. Tax preparation fees		2. <u>786</u>
3. Investment income, Form 8960 line 8	3. <u>474,180</u>	
4. Adjusted gross income	4. <u>785,542</u>	
5. Divide line 3 by line 4	5. <u>0.6036</u>	
6. State and local tax allocable to net investment income (Multiply line 1 by line 5)		6. <u>59,414</u>
7. Tax preparation fees allocable to net investment income (Multiply line 2 by line 5)		7. <u>474</u>
Application of limitation under section 67		
8. Miscellaneous expenses allocable to net investment income		8. _____
9. Total miscellaneous expenses (line 7 plus line 8)	9. <u>474</u>	
10. Enter the limited miscellaneous deductions from line 27, Schedule A	10. _____	
11. If line 10 is less than line 9, divide line 10 by line 9. Else, enter 1.00	11. _____	
12. 8960 line 9c, Miscellaneous expenses after Sec 67 (Miscellaneous expenses from line 8 multiplied by line 11)		12. _____
13. 8960 line 10, Additional modifications after Sec 67 (Tax preparation fees from line 7 multiplied by line 11)		13. <u>0</u>
Application of limitation under section 68		
14. Total of misc expenses after Sec 67 (line 12 + line 13)		14. _____
15. State and local taxes allocable to net investment income (line 6)		15. <u>59,414</u>
16. Other itemized deductions		16. _____
17. Total		17. <u>59,414</u>
18. Enter the total itemized deductions from line 29, Schedule A	18. <u>102,642</u>	
19. Deductions not subject to limitation under section 68	19. _____	
20. Subtract line 19 from line 18. If zero or less, stop here . No deductions are allowed.		20. <u>102,642</u>
21. If line 20 is less than line 17, divide line 20 by line 17. Else enter 1.00		21. <u>1.000</u>
22. Form 8960 line 9b, State income tax (line 15 multiplied by line 21)		22. <u>59,414</u>
23. Form 8960 line 9c, Miscellaneous investment expense (line 12 multiplied by line 21)		23. _____
24. Form 8960 line 10, Additional modifications (lines 13 and 16 multiplied by line 21)		24. _____

Form 8960, Line 5c, Adjustment from disposition of partnership interest or S corporation stock

1. Amount of net gain from the disposition of a partnership or S corporation to which section 1411(c)(4)(A) applies	1. _____	
2. Amount of net gain included in net investment income after application of Regulations section 1.1411-7 (But not more than line 1)	2. _____	
3. Enter the difference between line 1 and line 2 (Enter as a negative number)		3. _____
4. Amount of net loss from the disposition of a partnership or S corporation to which section 1411(c)(4)(A) applies	4. _____	
5. Amount of net loss included in net investment income after application of Regulations section 1.1411-7 (But not more than line 4)	5. _____	
6. Enter the difference between line 4 and line 5		6. _____
7. Amount of net gain attributable to payments received on an installment sale obligation that was attributable to the disposition of a partnership or S corporation in a prior year	7. _____	
8. Amount of net gain attributable to installment sale obligations after application of Regulations section 1.1411-7 (But not more than line 7)	8. _____	
9. Enter the difference between line 7 and line 8 (Enter as a negative number)		9. _____
10. Total adjustment from disposition of partnership interest or S corporation stock (Sum of lines 3, 6, and 9) This is the amount reported on Form 8960 line 5c		10. _____

Form 1040	Form 8960 - Net Investment Income Worksheet 5	2017
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

Form 8960. Line 7. Deduction Recoveries Worksheet

Year of recovery **2016**

- | | |
|--|-------------------|
| 1. Total amount of recovery
Amount of recovery included in gross income, including the amount of the recovery that would have been included in gross income but for the application of the tax benefit rule under section 111 | 1. 43,712 |
| 2. Enter the percentage of the deduction allocated to net investment income in the prior year | 2. 94.13 % |
| 3. Enter the lesser of (a) line 1 multiplied by line 2, or (b) the total amount deducted on the prior year Form 8960 attributable to item recovered | 3. 41,146 |

Calculation of recoveries when the deduction was not taken into account in computing your section 1411 NOL

- | | |
|---|-------------------|
| 4. Multiply line 3 by .038 | 4. 1,564 |
| 5. Enter the amount of net investment income in the year of the deduction (previous year's Form 8960, line 12) | 5. 806,414 |
| 6. Add the amount on line 3 to line 5 | 6. 847,560 |
| 7. Recalculate the NIIT for the year of the deduction by replacing the amount reported on Form 8960 line 12 with the amount reported on line 6 of this worksheet. Enter your recalculated NIIT here | 7. 28,079 |
| 8. Enter the NIIT reported for the year of the deduction | 8. 28,079 |
| 9. Subtract line 8 from line 7 | 9. _____ |
| 10. Enter the smaller of line 4 or line 9 | 10. _____ |
| 11. Divide line 10 by 3.8% (.038). Enter this amount on Form 8960 line 7 in the year of the recovery. | 11. _____ |

Calculation of recoveries when the deduction was taken into account in computing your section 1411 NOL

- | | |
|---|-----------|
| 12. Enter the amount of the section 1411 NOL in the year of the deduction (entered as a positive number) | 12. _____ |
| 13. Enter the amount of the section 1411 NOL in the year of the deduction recomputed without the amount on line 3 | 13. _____ |
| 14. Subtract line 13 from line 12. Enter this amount on Form 8960 line 7 in the year of the recovery. | 14. _____ |

Form 1040	Net Earnings from Self-Employment Worksheet	2017
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

	Taxpayer	Spouse
Farm profit or (loss)		
Schedule F	-4,520	
Farm Partnerships - Schedule K-1, box 14, code A	()	()
Auto expense from farm partnerships	()	()
Amortization from farm partnerships	()	()
Depreciation & Section 179 from farm partnerships	()	()
Depletion from farm partnerships	()	()
Other expenses from farm partnerships	()	()
Home office expenses from farm partnerships	()	()
Unreimbursed partnership expenses from farm partnerships	()	()
Debt financed acquisition interest from farm partnerships	()	()
Farm adjustment to SE Income		
Net farm profit or (loss) - Schedule SE line 1a	-4,520	0
Conservation Reserve Program payments to social security/disability benefit recipients included on Sch F, In 4b or listed on Sch K-1 (Form 1065), box 20, code Z - Sch SE line 1b	0	0
Nonfarm profit or (loss)		
Schedule C (excluding minister Schedule C income reported below)	330,567	
Nonfarm partnerships - Schedule K-1, box 14, code A	()	()
Auto expense from nonfarm partnerships	()	()
Amortization from nonfarm partnerships	()	()
Depreciation & section 179 from nonfarm partnerships	()	()
Depletion from nonfarm partnerships	()	()
Other expenses from nonfarm partnerships	()	()
Home office expenses from nonfarm partnerships	()	()
Unreimbursed partnership expenses from nonfarm partnerships	()	()
Debt financed acquisition interest from nonfarm partnerships	()	()
Employee business expenses - Form 2106 (excluding minister 2106 expenses reported below)	()	()
Nonfarm adjustment to SE income		
Self-employment income reported as other income		
Self-employment income from contracts and straddles		
Minister/clergy self-employment income (from Clergy Worksheet Page 4, line 8)		
Net nonfarm profit or (loss) - Schedule SE line 2	330,567	0
Other income items subject to and/or exempt from self-employment tax		
Fees received for services performed as a notary public	()	()
Earnings while debtor in a chapter 11 bankruptcy case		
Taxable community property income/-loss	()	()
Exempt community property income/-loss	0	0
Net adjustment included on Schedule SE, line 3		
Net profit (loss) from self-employment activities - Schedule SE line 3	326,047	0
Church employee income - Schedule SE, Page 2 line 5a		

Form 1040	Social Security Worksheet	2017
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em; display: inline-block;"></div>

If you are married filing separately and you **lived apart** from your spouse for all of 2017:

- Form 1040: Enter "D" to the right of the word "benefits" on line 20a.
- Form 1040A: Enter "D" to the right of the word "benefits" on line 14a

1. Enter the total amount from box 5 of all your Forms SSA-1099 and Forms RRB-1099 (if applicable) Also enter this amount on Form 1040, line 20a or Form 1040A, line 14a.	1.	<u>31,807</u>
2. Enter one-half of line 1.	2.	<u>15,904</u>
3. Add the amounts on Form 1040, lines 7, 8a, 8b, 9a, 10 through 14, 15b, 16b, 17 through 19, and line 21. Also, enter the total of any exclusion/adjustments for Qualified U.S. savings bond interest (Form 8815, line 14), adoption benefits (Form 8839, line 24), foreign earned income or housing (Form 2555, lines 45 and 50), certain income of bona fide residents of American Samoa (Form 4563, line 15) or Puerto Rico	3.	<u>762,872</u>
4. Add lines 2 and 3	4.	<u>778,776</u>
5. Enter the total adjustments from Form 1040, line 36, minus any amounts on Form 1040, lines 33, 34, and 35	5.	<u>4,366</u>
6. Subtract line 5 from line 4	6.	<u>774,410</u>
7. Enter \$25,000 (\$32,000 if married filing jointly; \$0 if married filing separately and you lived with your spouse at any time during 2017)	7.	<u>25,000</u>
8. Subtract line 7 from line 6. If zero or less, enter -0- <ul style="list-style-type: none"> • If line 8 is zero, stop here. None of your benefits are taxable. Enter -0- on Form 1040, line 20b or on Form 1040A, line 14b. If you are married filing separately and you lived apart from your spouse for all of 2017, enter -0- on Form 1040, line 20b, or on Form 1040A, line 14b • If line 8 is more than zero, go to line 9. 	8.	<u>749,410</u>
9. Enter \$9,000 (\$12,000 if married filing jointly; \$0 if married filing separately and you lived with your spouse at any time during 2017)	9.	<u>9,000</u>
10. Subtract line 9 from line 8. If zero or less, enter -0-	10.	<u>740,410</u>
11. Enter the smaller of line 8 or line 9	11.	<u>9,000</u>
12. Enter one half of line 11	12.	<u>4,500</u>
13. Enter the smaller of line 2 or line 12	13.	<u>4,500</u>
14. Multiply line 10 by 85% (.85). If line 10 is zero, enter -0-	14.	<u>629,349</u>
15. Add lines 13 and 14	15.	<u>633,849</u>
16. Multiply line 1 by 85% (.85)	16.	<u>27,036</u>
17. Taxable benefits. Enter the smaller of line 15 or line 16. Also enter this amount on Form 1040, line 20b or Form 1040A, line 14b.	17.	<u>27,036</u>

Note: If part of your benefits are taxable for 2017 and they include benefits paid in 2017 that were for an earlier year, you may be able to reduce the taxable amount shown on the worksheet. See Pub. 915 for details

Form 1040	Tax Refund Worksheets	2017
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em; display: inline-block;"></div>

	2016	2015	2014
1. State and local tax refunds	1.		
2a. State and local tax refunds with no tax benefit derived	2a.		
2b. Sales tax benefit reduction	2b.		
3. Net state and local tax refunds. Subtract lines 2a and 2b from line 1	3.		
4. Total itemized deductions from Schedule A	4.		
5. Standard deduction	5.		
6. Subtract line 5 from line 4. If result is zero or less, STOP here The amount on line 3 is not taxable	6.		
7. Enter the smaller of line 3 or line 6	7.		
8. Taxable income (If taxable income is a negative amount, enter that amount as a negative. Adjust taxable income for any NOL carryover.)	8.		
9. Enter the following amount to include on Form 1040, line 10: If line 8 is:	9.		
• 0 or more, enter the amount from line 7.			
• A negative amount, add lines 7 and 8 and enter net amount, but not less than zero.			

Tax Refund Worksheet for Itemized Deduction Limitation

	2016	2015	2014
1. State and local tax refunds subject to phase-out	1. 43,712		
2a. State and local tax refunds with no tax benefit derived	2a.		
2b. Sales tax benefit reduction	2b.		
3. Net state and local tax refunds. Subtract lines 2a and 2b from line 1	3. 43,712		
Itemized deductions before state and local tax refunds:			
4. Adjusted gross income	4. 938,929		
5. AGI threshold	5. 259,400		
6. Line 4 minus line 5	6. 679,529		
7. Itemized deductions before phase-out	7. 133,720		
8. Itemized deductions subject to phase-out	8. 133,720		
9. Multiply line 6 by 3% (.03)	9. 20,386		
10. Multiply line 8 by 80% (.80)	10. 106,976		
11. Phase-out (smaller of line 9 or line 10)	11. 20,386		
12. Allowable itemized deductions (line 7 minus line 11)	12. 113,334		
Itemized deductions adjusted for state and local tax refund:			
13. Adjusted itemized deductions before phase-out (line 7 minus line 3)	13. 90,008		
14. Adjusted itemized deductions subject to phase-out (line 8 minus line 3)	14. 90,008		
15. Multiply line 14 by 80% (.80)	15. 72,006		
16. Adjusted phase-out (smaller of line 9 or 15)	16. 20,386		
17. Adjusted itemized deductions allowed (line 13 minus line 16)	17. 69,622		
18. Standard deduction	18. 7,850		
19. Enter the larger of line 17 or line 18	19. 69,622		
20. Line 12 minus line 19	20. 43,712		
21. Taxable income (If taxable income is a negative amount, enter that amount as a negative. Adjust taxable income for any NOL carryover.)	21. 825,595		
22. Enter the following amount to include on Form 1040, line 10: If line 21 is:	22. 43,712		
• 0 or more, enter the amount from line 20.			
• A negative amount, add lines 20 and 21 and enter net amount, but not less than zero.			

Federal Statements

Schedule A, Line 5 - State and Local Taxes

Description	Amount
2016 CA extension payment	\$ 60
2016 HI extension payment	60,000
State Withholding on W-2s	19,133
State Tax Payments	19,240
'16 CA income tax refund	-3
'16 HI income tax refund	-32,294
Total Income Taxes*	66,136
General Sales Tax	3,294
Total Sales Taxes	3,294

*Income taxes are being deducted

Schedule A, Line 6 - Real Estate Taxes

Description	Amount
611 Puuikena Dr	\$ 7,554
Total	\$ 7,554

Schedule A, Line 10 - Home Mortgage Interest & Points From Form 1098

Description	Amount
Mortgage Int - Worksheet A	\$ 43,923
Total	\$ 43,923

Schedule A, Line 17 - Charitable Contributions Other Than Cash or Check

Description	Amount
50% Contrib from 8283	\$ 750
Total	\$ 750

Federal Statements**Rental Real Estate****Schedule C, Line 23 - Taxes and Licenses**

<u>Description</u>	<u>Amount</u>
Hawaii General Excise Tax	\$ 93,007
Real estate taxes	182,066
Total	<u>\$ 275,073</u>

Federal Statements**Greystone Vineyards LLC**Schedule F, Line 29 - Taxes

Description	Amount
Licenses	\$ 625
Total	\$ 625

10/11/2018

Federal Statements

Form 4797 - Unrecaptured Section 1250 Gains

Desc	Date Acq	Date Sold	(a) Ln 24	(b) Ln 22	Smaller (a)or(b)	-4797 Ln 26g	=Line 3 1250WS
Parking Stalls	9/19/12	1/17/17	\$ 25,572	\$ 2,069	\$ 2,069	\$	\$ 2,069
Building Units	9/19/12	1/17/17	117,456	13,065	13,065		13,065
Total						\$ 0	\$ 15,134

Form 4797 - AMT Unrecaptured Section 1250 Gains

Desc	Date Acq	Date Sold	(a) Ln 24	(b) Ln 22	Smaller (a)or(b)	-4797 Ln 26g	=Line 3 1250WS
Parking Stalls	9/19/12	1/17/17	\$ 25,572	\$ 2,069	\$ 2,069	\$	\$ 2,069
Building Units	9/19/12	1/17/17	117,456	13,065	13,065		13,065
Total						\$ 0	\$ 15,134

Federal Statements**Form 8960 - Net Investment Income Worksheet 3 - State and Local Income Taxes**

<u>Description</u>	<u>Amount</u>
State Withholding on W-2s	\$ 19,133
State Tax Payments	19,240
2016 CA extension payment	60
2016 HI extension payment	60,000
Total	<u>\$ 98,433</u>

Federal Statements**2016 State and Local Income Tax Refunds**

<u>Description</u>	<u>Amount</u>
'16 CA income tax refund	\$ 3
'16 HI income tax refund	76,006
Subtotal	76,009
<u>Allocated to Tax Pd in Following Yr</u>	
'16 CA income tax refund	3
'16 HI income tax refund	32,294
Subtotal	32,297
Total	43,712

Federal Statements

Amount Allocated to Tax Paid in the Following Year

Description		Amount
CA		
1.	2016 payment paid in 2017	\$ 0
2.	2016 extension paid in 2017	60
3.	2016 additional payment paid in 2017	0
4.	Total 2016 payments paid in 2017 (sum of lines 1 through 3)	60
5.	Total payments on the 2016 return	60
6.	Total 2016 overpayment/refund	3
7.	2016 refund attributable to tax paid in 2017 (Line 4 divided by line 5 multiplied by line 6)	\$ 3
8.	State/local tax refund (line 6 minus line 7)	\$ 0
HI		
1.	2016 payment paid in 2017	\$ 0
2.	2016 extension paid in 2017	60,000
3.	2016 additional payment paid in 2017	0
4.	Total 2016 payments paid in 2017 (sum of lines 1 through 3)	60,000
5.	Total payments on the 2016 return	141,215
6.	Total 2016 overpayment/refund	76,006
7.	2016 refund attributable to tax paid in 2017 (Line 4 divided by line 5 multiplied by line 6)	\$ 32,294
8.	State/local tax refund (line 6 minus line 7)	\$ 43,712
Total of all state/local amounts allocated to 2017 (sum of lines 7)		\$ 32,297
Total of all state/local tax refunds (sum of lines 8)		\$ 43,712

Federal Statements

Tax Refunds with No Tax Benefit Derived Due to AMT

Description	Amount
1. Total refund attributable to 2016 (sum of all state/local)	\$ 43,712
2. 2016 regular tax	162,968
3. 2016 AMT	21,788
4. 2016 Total Tax (line 2 + line 3)	184,756
5. 2016 Federal Marginal Tax Rate	0.2800
6. Tentative no benefit (line 3 divided by line 5)	77,814
7. Adjustment (smaller of line 1 or line 6)	43,712
8. Recalculated 2016 Itemized Deductions	69,622
9. Recalculated 2016 Taxable Income	869,307
10. Recalculated 2016 Tax	178,536
Recalculated 2016 Tax using Sch D Tax Wrk or QDCGTW	178,536
Recalculated 2016 Form 8615	0
Recalculated 2016 Schedule J	0
11. Recalculated 2016 AMT	8,405
12. New 2016 Tax (line 10 + line 11)	186,941
13. 2016 state and local refunds not taxable in 2017	0
(New tax is greater than old tax, partial benefit needs to be determined)	

10/11/2018

Federal Asset Report

Rental Real Estate

Asset	Description	Date In Service	Cost	Bus %	Sec 179 Bonus	Basis for Depr	PerConv Meth	Prior	Current
Prior MAURs									
1	Parking Stalls	9/19/12	1,941,368			1,941,368	39 MMS/L	213,639	49,778
2	Building Units	9/19/12	6,151,098			6,151,098	27 MMS/L	959,938	223,676
4	Parking Stalls	9/19/12	18,667			18,667	39 MMS/L	2,049	20
	Sold/Scrapped: 1/17/17								
5	Building Units	9/19/12	82,874			82,874	27 MMS/L	12,939	126
	Sold/Scrapped: 1/17/17								
			<u>8,194,007</u>			<u>8,194,007</u>		<u>1,188,565</u>	<u>273,600</u>
Amortization									
3	Startup Legal Fees	9/20/12	3,800			3,800	15 MOAmort	1,098	253
			<u>3,800</u>			<u>3,800</u>		<u>1,098</u>	<u>253</u>
Grand Totals			8,197,807			8,197,807		1,189,663	273,853
Less: Dispositions and Transfers			101,541			101,541		14,988	146
Less: Start-up/Org Expense			0			0		0	0
Net Grand Totals			<u>8,096,266</u>			<u>8,096,266</u>		<u>1,174,675</u>	<u>273,707</u>

10/11/2018

AMT Asset Report

Rental Real Estate

Asset	Description	Date In Service	Cost	Bus %	Sec 179	Bonus	Basis for Dep	Per Conv Meth	Prior	Current
Prior MACRS:										
1	Parking Stalls	9/19/12	1,941,368				1,941,368	39 MMS/L	213,639	49,778
2	Building Units	9/19/12	6,151,098				6,151,098	27 MMS/L	959,938	223,676
4	Parking Stalls	9/19/12	18,667				18,667	39 MMS/L	2,049	20
	Sold/Scrapped: 1/17/17									
5	Building Units	9/19/12	82,874				82,874	27 MMS/L	12,939	126
	Sold/Scrapped: 1/17/17									
			<u>8,194,007</u>				<u>8,194,007</u>		<u>1,188,565</u>	<u>273,600</u>
Grand Totals			<u>8,194,007</u>				<u>8,194,007</u>		<u>1,188,565</u>	<u>273,600</u>
Less: Dispositions and Transfers			<u>101,541</u>				<u>101,541</u>		<u>14,988</u>	<u>146</u>
Net Grand Totals			<u>8,092,466</u>				<u>8,092,466</u>		<u>1,173,577</u>	<u>273,454</u>

10/11/2018

Depreciation Adjustment Report

All Business Activities

Form	Unit	Asset	Description	Tax	AMT	AMT Adjustments/ Preferences
<u>MACRS Adjustments:</u>						
C	1	1	Parking Stalls	49,778	49,778	0
C	2	2	Building Units	223,676	223,676	0
C	4	4	Parking Stalls	20	20	0
C	5	5	Building Units	126	126	0
				<u>273,600</u>	<u>273,600</u>	<u>0</u>

Form 1040		Salaries & Wages Report		2017	
Name Clifford Laughton			Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>		
T/S	Employer	Federal Wages	Federal Withheld	Soc Sec Wages	
A	Hawaii Holdings LLC	249,500	65,451	127,200	
B					
C					
D					
E					
F					
G					
H					
I					
J					
K					
L					
M					
Taxpayer					
Spouse					
Totals		249,500	65,451	127,200	

T/S	Soc Sec Withheld	Medicare Wages	Medicare Withheld	Soc Sec Tips	Allocated Tips	Dep Care Ben	Other, Box 14
A	7,886	249,500	4,064				
B							
C							
D							
E							
F							
G							
H							
I							
J							
K							
L							
M							
Taxpayer							
Spouse							
Totals		7,886	249,500	4,064			

T/S	State	State Wages	State Withheld	Name of Locality	Local Wages	Local Withheld
A	HI	249,500	19,133			
B						
C						
D						
E						
F						
G						
H						
I						
J						
K						
L						
M						
Taxpayer						
Spouse						
Totals		249,500	19,133			

Name	Taxpayer Identification Number
Clifford Laughton	[REDACTED]

[illegible]

2018 Form 1040-VDepartment of the Treasury
Internal Revenue Service**What Is Form 1040-V**

It's a statement you send with your check or money order for any balance due on the "Amount you owe" line of your 2018 Form 1040 or Form 1040NR.

Consider Making Your Tax Payment Electronically — It's Easy

You can make electronic payments online, by phone, or from a mobile device. Paying electronically is safe and secure. When you schedule your payment you will receive immediate confirmation from the IRS. Go to www.irs.gov/Payments to see all your electronic payment options.

How To Fill In Form 1040-V

Line 1. Enter your social security number (SSN).

If you are filing a joint return, enter the SSN shown first on your return.

Line 2. If you are filing a joint return, enter the SSN shown second on your return.

Line 3. Enter the amount you are paying by check or money order. If paying at IRS.gov don't complete this form.

Line 4. Enter your name(s) and address exactly as shown on your return. Please print clearly.

How To Prepare Your Payment

• Make your check or money order payable to "United States Treasury." Don't send cash. If you want to pay in cash, in person, see *Pay by cash*.

• Make sure your name and address appear on your check or money order.

• Enter your daytime phone number and your SSN on your check or money order. If you have an Individual Taxpayer Identification Number (ITIN), enter it wherever your SSN is requested. If you are filing a joint return, enter the SSN shown first on your return. Also enter "2018 Form 1040" or "2018 Form 1040NR," whichever is appropriate.

• To help us process your payment, enter the amount on the right side of your check like this: \$ XXX.XX. Don't use dashes or lines (for example, don't enter "\$ XXX—" or "\$ XXX ^{xx}/₁₀₀").

No checks of \$100 million or more accepted. The IRS can't accept a single check (including a cashier's check) for amounts of \$100,000,000 (\$100 million) or more. If you are sending \$100 million or more by check, you will need to spread the payments over two or more checks, with each check made out for an amount less than \$100 million.

Pay by cash. This is an in-person payment option for individuals provided through retail partners with a maximum of \$1,000 per day per transaction. To make a cash payment, you must first be registered online at www.officialpayments.com/fed, our Official Payment provider

How To Send In Your 2018 Tax Return, Payment, and Form 1040-V

• Don't staple or otherwise attach your payment or Form 1040-V to your return. Instead, just put them loose in the envelope.

• Mail your 2018 tax return, payment, and Form 1040-V to the address shown on the back that applies to you.

How To Pay Electronically**Pay Online**

Paying online is convenient, secure, and helps make sure we get your payments on time. You can pay using either of the following electronic payment methods. To pay your taxes online or for more information, go to www.irs.gov/Payments.

IRS Direct Pay

Pay your taxes directly from your checking or savings account at no cost to you. You receive instant confirmation that your payment has been made, and you can schedule your payment up to 30 days in advance.

Debit or Credit Card

The IRS doesn't charge a fee for this service; the card processors do. The authorized card processors and their phone numbers are all on www.irs.gov/Payments.

Mail To: Internal Revenue Service

P.O. Box 7704
San Francisco, CA 94120-7704

Form **1040-V** (2018)

▼ Detach Here and Mail With Your Payment and Return ▼
CUT HERE

Form 1040-V	Payment Voucher			OMB No. 1545-0074	
	<div> <div>Department of the Treasury Internal Revenue Service</div> <div> 2018 </div> </div>				
Print or type	1 Your social security number (SSN) (If a joint return, SSN shown first on your return)		2 If a joint return, SSN shown second on your return		3 Amount you are paying by check or money order. Make your check or money order payable to "United States Treasury"
	4 Your first name and initial Clifford		Last name Laughton		Dollars 23,023
	If a joint return, spouse's first name and initial		Last name		Cents
	Home address (number and street) 18124 Wedge Pkwy		Apt no 456	City, town or post office, state, and ZIP code (If a foreign address, also complete spaces below.) Reno NV 89511	
	Foreign country name		Foreign province/state/county		Foreign postal code

**Sign
Here**

Joint return?
See instructions
Keep a copy for
your records

**Paid
Preparer
Use Only**

Form **1040** (2018)

Form 1040 (2018)

Clifford Loughton

Page 2

Attach Form(s)
W-2. Also attach
Form(s) W-2G and
1099 if tax was
withheld

**Standard
Deduction for –**

- Single or married
filing separately,
\$12,000
- Married filing
jointly or Qualifying
widow(er),
\$24,000
- Head of
household,
\$18,000
- If you checked
any box under
Standard
deduction,
see instructions

1	Wages, salaries, tips, etc. Attach Form(s) W-2		b	Taxable interest	
2a	Tax-exempt interest	2a		b	Ordinary dividends
3a	Qualified dividends	3a		b	Taxable amount
4a	IRAs, pensions, and annuities	4a		b	Taxable amount
5a	Social security benefits	5a	33,278	b	Taxable amount
6	Total income. Add lines 1 through 5. Add any amount from Schedule 1, line 22		78,775		
7	Adjusted gross income. If you have no adjustments to income, enter the amount from line 6; otherwise subtract Schedule 1, line 36, from line 6				
8	Standard deduction or itemized deductions (from Schedule A)				
9	Qualified business income deduction (see instructions)				
10	Taxable income. Subtract lines 8 and 9 from line 7. If zero or less, enter -0-				
11	a Tax (see instr.) 76,027 (check if any from: 1 <input type="checkbox"/> Form(s) 8814 2 <input type="checkbox"/> Form 4972 3 <input type="checkbox"/>)				
	b Add any amount from Schedule 2 and check here				
12	a Child tax credit/credit for other dependents b Add any amount from Schedule 3 and check here				
13	Subtract line 12 from line 11. If zero or less, enter -0-				
14	Other taxes. Attach Schedule 4				
15	Total tax. Add lines 13 and 14				
16	Federal income tax withheld from Forms W-2 and 1099				
17	Refundable credits: a EIC (see instr.) b Sch 8812 c Form 8863				
	Add any amount from Schedule 5				
18	Add lines 16 and 17. These are your total payments				
19	If line 18 is more than line 15, subtract line 15 from line 18. This is the amount you overpaid				
20a	Amount of line 19 you want refunded to you. If Form 8888 is attached, check here				
b	Routing number	c	Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
d	Account number				
21	Amount of line 19 you want applied to your 2019 estimated tax	21			
22	Amount you owe. Subtract line 18 from line 15. For details on how to pay, see instructions	22			
23	Estimated tax penalty (see instructions)	23			

1	249,500
2b	746
3b	
4b	
5b	28,286
6	357,307
7	356,252
8	54,030
9	15,544
10	286,678
11	76,027
12	
13	76,027
14	6,489
15	82,516
16	60,007
17	
18	60,007
19	
20a	
21	
22	23,023
23	

Refund

Direct deposit?
See instructions

Amount You Owe **22** Amount you owe. Subtract line 18 from line 15. For details on how to pay, see instructions

23 Estimated tax penalty (see instructions)

514

Go to www.irs.gov/Form1040 for instructions and the latest information.

Form 1040 (2018)

SCHEDULE 1
(Form 1040)**Additional Income and Adjustments to Income**

OMB No 1545-0074

2018Attachment
Sequence No **01**Department of the Treasury
Internal Revenue Service▶ **Attach to Form 1040**▶ **Go to www.irs.gov/Form1040 for instructions and the latest information.**

Name(s) shown on Form 1040

Your social security number

Clifford Laughton

Additional Income	1-9b	Reserved	1-9b	
	10	Taxable refunds, credits, or offsets of state and local income taxes	10	
	11	Alimony received	11	
	12	Business income or (loss). Attach Schedule C or C-EZ	12	87,548
	13	Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶	<input type="checkbox"/> 13	
	14	Other gains or (losses). Attach Form 4797	14	
	15a	Reserved	15b	
	16a	Reserved	16b	
	17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	
	18	Farm income or (loss). Attach Schedule F	18	-8,773
	19	Unemployment compensation	19	
	20a	Reserved	20b	
21	Other income. List type and amount ▶	21		
	22	Combine the amounts in the far right column. If you don't have any adjustments to income, enter here and include on Form 1040, line 6. Otherwise, go to line 23	22	78,775
Adjustments to Income	23	Educator expenses	23	
	24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106	24	
	25	Health savings account deduction. Attach Form 8889	25	
	26	Moving expenses for members of the Armed Forces. Attach Form 3903	26	
	27	Deductible part of self-employment tax. Attach Schedule SE	27	1,055
	28	Self-employed SEP, SIMPLE, and qualified plans	28	
	29	Self-employed health insurance deduction	29	
	30	Penalty on early withdrawal of savings	30	
	31a	Alimony paid b Recipient's SSN ▶	31a	
	32	IRA deduction	32	
	33	Student loan interest deduction	33	
	34	Reserved	34	
	35	Reserved	35	
	36	Add lines 23 through 35	36	1,055

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule 1 (Form 1040) 2018

SCHEDULE 4
(Form 1040)Department of the Treasury
Internal Revenue Service**Other Taxes**

OMB No. 1545-0074

2018Attachment
Sequence No. **04**▶ **Attach to Form 1040.**
▶ **Go to www.irs.gov/Form1040 for instructions and the latest information.**

Name(s) shown on Form 1040

Clifford Laughton

Your social security number

Other Taxes	57	Self-employment tax. Attach Schedule SE	57	2,110
	58	Unreported social security and Medicare tax from: Form a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	58	
	59	Additional tax on IRAs, other qualified retirement plans, and other tax-favored accounts. Attach Form 5329 if required	59	
	60a	Household employment taxes. Attach Schedule H	60a	
	60b	b Repayment of first-time homebuyer credit from Form 5405. Attach Form 5405 if required	60b	
	61	Health care: individual responsibility (see instructions)	61	
	62	Taxes from: a <input checked="" type="checkbox"/> 8959 b <input checked="" type="checkbox"/> 8960 c <input type="checkbox"/> Instructions; enter code(s)	62	4,379
	63	Section 965 net tax liability installment from Form 965-A <input type="checkbox"/>		
	64	Add the amounts in the far right column. These are your total other taxes . Enter here and on Form 1040, line 14	64	6,489

For Paperwork Reduction Act Notice, see your tax return Instructions.

Schedule 4 (Form 1040) 2018

SCHEDULE A
(Form 1040)Department of the Treasury
Internal Revenue Service**Itemized Deductions**▶ Go to www.irs.gov/ScheduleA for instructions and the latest information.

▶ Attach to Form 1040.

OMB No. 1545-0047

2018Attachment
Sequence No. **07**

Name(s) shown on Form 1040

Your social security number

Clifford Laughton

Medical and Dental Expenses	Caution: Do not include expenses reimbursed or paid by others.			
1	Medical and dental expenses (see instructions)	1		
2	Enter amount from Form 1040, line 7 2 356,252			
3	Multiply line 2 by 7.5% (0.075)	3	26,719	
4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4		
Taxes You Paid	5 State and local taxes			
a	State and local income taxes or general sales taxes. You may include either income taxes or general sales taxes on line 5a, but not both. If you elect to include general sales taxes instead of income taxes, check this box <input type="checkbox"/>	5a	34,414	
b	State and local real estate taxes (see instructions)	5b	7,678	
c	State and local personal property taxes	5c		
d	Add lines 5a through 5c	5d	42,092	
e	Enter the smaller of line 5d or \$10,000 (\$5,000 if married filing separately)	5e	10,000	
6	Other taxes. List type and amount ▶	6		
7	Add lines 5e and 6	7		10,000
Interest You Paid	8 Home mortgage interest and points. If you didn't use all of your home mortgage loan(s) to buy, build, or improve your home, see instructions and check this box <input type="checkbox"/>			
a	Home mortgage interest and points reported to you on Form 1098	8a	39,780	
b	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address ▶	8b		
c	Points not reported to you on Form 1098. See instructions for special rules	8c		
d	Reserved	8d		
e	Add lines 8a through 8c	8e	39,780	
9	Investment interest. Attach Form 4952 if required. See instructions	9		
10	Add lines 8e and 9	10		39,780
Gifts to Charity	11 Gifts by cash or check. If you made any gift of \$250 or more, see instructions	11		
12	Other than by cash or check. If any gift of \$250 or more, see instructions. You must attach Form 8283 if over \$500	12	4,250	
13	Carryover from prior year	13		
14	Add lines 11 through 13	14		4,250
Casualty and Theft Losses	15 Casualty and theft loss(es) from a federally declared disaster (other than net qualified disaster losses). Attach Form 4684 and enter the amount from line 18 of that form. See instructions	15		
Other Itemized Deductions	16 Other—from list in instructions. List type and amount ▶	16		
Total Itemized Deductions	17 Add the amounts in the far right column for lines 4 through 16. Also, enter this amount on Form 1040, line 8	17		54,030
	18 If you elect to itemize deductions even though they are less than your standard deduction, check here <input type="checkbox"/>			

For Paperwork Reduction Act Notice, see the Instructions for Form 1040.

Schedule A (Form 1040) 2018

SCHEDULE C
(Form 1040)**Profit or Loss From Business**

(Sole Proprietorship)

OMB No. 1545-0074

2018Sequence No. **09**Department of the Treasury
Internal Revenue Service

► Go to www.irs.gov/ScheduleC for instructions and the latest information.
 ► Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

Name of proprietor

Clifford Laughton

Social security number (SSN)

[REDACTED]

A Principal business or profession, including product or service (see instructions)**Rental Real Estate****B** Enter code from instructions► **531100****C** Business name. If no separate business name, leave blank**Executive Centre Apartments LLC****D** Employer ID number (EIN) (see instr.)**35-2452476****E** Business address (including suite or room no.) ►**1088 Bishop St Ste 4100**

City, town or post office, state, and ZIP code

Honolulu**HI 96813****F** Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ►**G** Did you "materially participate" in the operation of this business during 2018? If "No," see instructions for limit on lossesYes ☐ No ☒**H** If you started or acquired this business during 2018, check here**I** Did you make any payments in 2018 that would require you to file Form(s) 1099? (see instructions)Yes ☒ No ☐**J** If "Yes" did you or will you file required Forms 1099?Yes ☒ No ☐**Part I Income**

1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked. ► <input type="checkbox"/>	1	2,124,947
2	Returns and allowances	2	
3	Subtract line 2 from line 1	3	2,124,947
4	Cost of goods sold (from line 42)	4	
5	Gross profit. Subtract line 4 from line 3	5	2,124,947
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions) See Stmt 1	6	45,674
7	Gross income. Add lines 5 and 6	7	2,170,621

Part II Expenses. Enter expenses for business use of your home only on line 30.

8	Advertising	8	3,342	18	Office expense (see instructions)	18	2,987
9	Car and truck expenses (see instructions)	9		19	Pension and profit-sharing plans	19	
10	Commissions and fees	10		20	Rent or lease (see instructions):		
11	Contract labor (see instructions)	11		a	Vehicles, machinery, and equipment	20a	
12	Depletion	12		b	Other business property	20b	276,492
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	273,456	21	Repairs and maintenance	21	41,600
14	Employee benefit programs (other than on line 19)	14		22	Supplies (not included in Part III)	22	25,578
15	Insurance (other than health)	15	16,266	23	Taxes and licenses	23	201,696
16	Interest (see instructions):			24	Travel and meals:		
a	Mortgage (paid to banks, etc.)	16a		a	Travel	24a	
b	Other	16b	367,983	b	Deductible meals (see instructions)	24b	
17	Legal and professional services	17	59,175	25	Utilities	25	4,455
18				26	Wages (less employment credits)	26	
19				27a	Other expenses (from line 48)	27a	810,043
20				b	Reserved for future use	27b	
21				28	Total expenses before expenses for business use of home. Add lines 8 through 27a	28	2,083,073
22				29	Tentative profit or (loss). Subtract line 28 from line 7	29	87,548
23				30	Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). Simplified method filers only: enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30	30	
24				31	Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Schedule 1 (Form 1040), line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2 . (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3 . • If a loss, you must go to line 32.	31	87,548
25				32a	If you have a loss, check the box that describes your investment in this activity (see instructions). • If you checked 32a, enter the loss on both Schedule 1 (Form 1040), line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2 . (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3 . • If you checked 32b, you must attach Form 6198 . Your loss may be limited.	32a	<input type="checkbox"/> All investment is at risk
26				32b		32b	<input type="checkbox"/> Some investment is not at risk

Clifford Laughton

Schedule C (Form 1040) 2018 **Rental Real Estate**Page **2****Part III Cost of Goods Sold** (see instructions)

33 Method(s) used to value closing inventory: a ☐ Cost b ☐ Lower of cost or market c ☐ Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory?
If "Yes," attach explanation ☐ Yes ☐ No

35 Inventory at beginning of year. If different from last year's closing inventory, attach explanation

35

36 Purchases less cost of items withdrawn for personal use

36

37 Cost of labor. Do not include any amounts paid to yourself

37

38 Materials and supplies

38

39 Other costs

39

40 Add lines 35 through 39

40

41 Inventory at end of year

41

42 **Cost of goods sold.** Subtract line 41 from line 40. Enter the result here and on line 4

42

Part IV Information on Your Vehicle. Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year) ►

44 Of the total number of miles you drove your vehicle during 2018, enter the number of miles you used your vehicle for:

a Business

b Commuting (see instructions)

c Other

45 Was your vehicle available for personal use during off-duty hours?

☐ Yes☐ No

46 Do you (or your spouse) have another vehicle available for personal use?

☐ Yes☐ No

47a Do you have evidence to support your deduction?

☐ Yes☐ No

b If "Yes," is the evidence written?

☐ Yes☐ No

Part V Other Expenses. List below business expenses not included on lines 8-26 or line 30.

Bank Service Charge

127

Credit card terminal fee

39

Maintenance Fees

640,349

Outside Services

166,456

Telephone

2,819

Amortization

253

48 **Total other expenses.** Enter here and on line 27a

48

810,043

**SCHEDULE F
(Form 1040)**Department of the Treasury
Internal Revenue Service**Profit or Loss From Farming**▶ Attach to Form 1040, Form 1040NR, Form 1041, or Form 1065.
▶ Go to www.irs.gov/ScheduleF for instructions and the latest information.

OMB No. 1545-0074

2018Attachment
No **14**

Name of proprietor

Clifford Laughton

Social security number (SSN)

[REDACTED]

A Principal crop or activity Wine Grapes	B Enter code from Part IV ▶ 111900	C Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual	D Employer ID number (EIN), (see instr.) 46-5732910
E Did you "materially participate" in the operation of this business during 2018? If "No," see instructions for limit on passive losses.			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
F Did you make any payments in 2018 that would require you to file Form(s) 1099 (see instructions)?			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
G If "Yes," did you or will you file required Forms 1099?			<input type="checkbox"/> Yes <input type="checkbox"/> No

Part I Farm Income – Cash Method. Complete Parts I and II (Accrual method). Complete Parts II and III, and Part I, line 9.

1a Sales of livestock and other resale items (see instructions)	1a		1c
b Cost or other basis of livestock or other items reported on line 1a	1b		
c Subtract line 1b from line 1a			
2 Sales of livestock, produce, grains, and other products you raised			2
3a Cooperative distributions (Form(s) 1099-PATR)	3a	3b Taxable amount	3b
4a Agricultural program payments (see instructions)	4a	4b Taxable amount	4b
5a Commodity Credit Corporation (CCC) loans reported under election			5a
b CCC loans forfeited	5b	5c Taxable amount	5c
6 Crop insurance proceeds and federal crop disaster payments (see instructions)			
a Amount received in 2018	6a	6b Taxable amount	6b
c If election to defer to 2019 is attached, check here <input type="checkbox"/>		6d Amount deferred from 2017	6d
7 Custom hire (machine work) income			7
8 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)			8
9 Gross income. Add amounts in the right column (lines 1c, 2, 3b, 4b, 5a, 5c, 6b, 6d, 7, and 8). If you use the accrual method, enter the amount from Part III, line 50. See instructions			9

Part II Farm Expenses – Cash and Accrual Method. Do not include personal or living expenses. See instructions.

10 Car and truck expenses (see instructions). Also attach Form 4562	10		23 Pension and profit-sharing plans	23
11 Chemicals	11		24 Rent or lease (see instructions):	
12 Conservation expenses (see instructions)	12		a Vehicles, machinery, equipment	24a
13 Custom hire (machine work)	13		b Other (land, animals, etc.)	24b
14 Depreciation and section 179 expense (see instructions)	14		25 Repairs and maintenance	25
15 Employee benefit programs other than on line 23	15		26 Seeds and plants	26
16 Feed	16		27 Storage and warehousing	27
17 Fertilizers and lime	17		28 Supplies	28
18 Freight and trucking	18		29 Taxes	29 250
19 Gasoline, fuel, and oil	19		30 Utilities	30
20 Insurance (other than health)	20 5,947		31 Veterinary, breeding, and medicine	31
21 Interest (see instructions)			32 Other expenses (specify):	
a Mortgage (paid to banks, etc.)	21a		a Outside services	32a 2,576
b Other	21b		b	32b
22 Labor hired (less employment credits)	22		c	32c
			d	32d
			e	32e
			f	32f
33 Total expenses. Add lines 10 through 32f. If line 32f is negative, see instructions				33 8,773
34 Net farm profit or (loss). Subtract line 33 from line 9				34 -8,773

If a profit, stop here and see instructions for where to report. If a loss, complete lines 35 and 36.

35 Reserved for future use.**36** Check the box that describes your investment in this activity and see instructions for where to report your loss.**a** ☒ All investment is at risk. **b** ☐ Some investment is not at risk.

For Paperwork Reduction Act Notice, see the separate instructions.

Schedule F (Form 1040) 2018

Name of person with self-employment income (as shown on Form 1040 or Form 1040NR)

Clifford Laughton

Social security number of person
with self-employment income ▶

Section B — Long Schedule SE

Part I Self-Employment Tax

Note: If your only income subject to self-employment tax is church employee income, see instructions. Also see instructions for the definition of church employee income.

- A** If you are a minister, member of a religious order, or Christian Science practitioner and you filed Form 4361, but you had \$400 or more of other net earnings from self-employment, check here and continue with Part I ▶ ☐

1a Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A. **Note:** Skip lines 1a and 1b if you use the farm optional method (see instructions)

b If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code AH

2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1.

Ministers and members of religious orders, see instructions for types of income to report on this line. See instructions for other income to report. **Note:** Skip this line if you use the nonfarm optional method (see instructions)

3 Combine lines 1a, 1b, and 2

4a If line 3 is more than zero, multiply line 3 by 92.35% (0.9235). Otherwise, enter amount from line 3

Note: If line 4a is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions.

b If you elect one or both of the optional methods, enter the total of lines 15 and 17 here

c Combine lines 4a and 4b. If less than \$400, stop; you don't owe self-employment tax.

Exception: If less than \$400 and you had church employee income, enter -0- and continue ▶

5a Enter your church employee income from Form W-2. See instructions for definition of church employee income

b Multiply line 5a by 92.35% (0.9235). If less than \$100, enter -0-

6 Add lines 4c and 5b

7 Maximum amount of combined wages and self-employment earnings subject to social security tax or the 6.2% portion of the 7.65% railroad retirement (tier 1) tax for 2018

8a Total social security wages and tips (total of boxes 3 and 7 on

Form(s) W-2) and railroad retirement (tier 1) compensation.

If \$128,400 or more, skip lines 8b through 10, and go to line 11

b Unreported tips subject to social security tax (from Form 4137, line 10)

c Wages subject to social security tax (from Form 8919, line 10)

d Add lines 8a, 8b, and 8c

9 Subtract line 8d from line 7. If zero or less, enter -0- here and on line 10 and go to line 11 ▶

10 Multiply the smaller of line 6 or line 9 by 12.4% (0.124)

11 Multiply line 6 by 2.9% (0.029)

12 Self-employment tax. Add lines 10 and 11. Enter here and on Schedule 4 (Form 1040), line 57, or Form 1040NR, line 55

13 Deduction for one-half of self-employment tax.

Multiply line 12 by 50% (0.50). Enter the result here and on

Schedule 1 (Form 1040), line 27, or Form 1040NR, line 27

Part II Optional Methods To Figure Net Earnings (see instructions)

Farm Optional Method. You may use this method only if (a) your gross farm income¹ wasn't more than \$7,920, or (b) your net farm profits² were less than \$5,717.

14 Maximum income for optional methods

15 Enter the smaller of: two-thirds (²/₃) of gross farm income¹ (not less than zero) or \$5,280. Also include this amount on line 4b above

Nonfarm Optional Method. You may use this method only if (a) your net nonfarm profits³ were less than \$5,717 and also less than 72.189% of your gross nonfarm income,⁴ and (b) you had net earnings from self-employment of at least \$400 in 2 of the prior 3 years. **Caution:** You may use this method no more than five times.

16 Subtract line 15 from line 14

17 Enter the smaller of: two-thirds (²/₃) of gross nonfarm income⁴ (not less than zero) or the amount on line 16. Also include this amount on line 4b above

¹ From Sch F, line 9, and Sch K-1 (Form 1065), box 14, code B

² From Sch F, line 34, and Sch K-1 (Form 1065), box 14, code A — minus the amount you would have entered on line 1b had you not used the optional method

³ From Sch C, line 31; Sch C-EZ, line 3; Sch K-1 (Form 1065), box 14, code A; and Sch K-1 (Form 1065-B), box 9, code J1

⁴ From Sch C, line 7; Sch C-EZ, line 1; Sch K-1 (Form 1065), box 14, code C; and Sch K-1 (Form 1065-B), box 9, code J2

Additional Medicare Tax

OMB No. 1545-0074

Form **8959**

▶ If any line does not apply to you, leave it blank. See separate instructions.

▶ Attach to Form 1040, 1040NR, 1040-PR, or 1040-SS.

▶ Go to www.irs.gov/Form8959 for instructions and the latest information.**2018**Worksheet
Sequence No. **71**

Name(s) shown on return

Clifford Laughton

Your social security number

Part I Additional Medicare Tax on Medicare Wages

1 Medicare wages and tips from Form W-2, box 5. If you have more than one Form W-2, enter the total of the amounts from box 5	1	249,500	
2 Unreported tips from Form 4137, line 6	2		
3 Wages from Form 8919, line 6	3		
4 Add lines 1 through 3	4	249,500	
5 Enter the following amount for your filing status: Married filing jointly \$250,000 Married filing separately \$125,000 Single, Head of household, or Qualifying widow(er) \$200,000	5	200,000	
6 Subtract line 5 from line 4. If zero or less, enter -0-	6		49,500
7 Additional Medicare Tax on Medicare wages. Multiply line 6 by 0.9% (0.009). Enter here and go to Part II	7		446

Part II Additional Medicare Tax on Self-Employment Income

8 Self-employment income from Schedule SE (Form 1040), Section A, line 4, or Section B, line 6. If you had a loss, enter -0- (Form 1040-PR and Form 1040-SS filers, see instructions.)	8	72,749	
9 Enter the following amount for your filing status: Married filing jointly \$250,000 Married filing separately \$125,000 Single, Head of household, or Qualifying widow(er) \$200,000	9	200,000	
10 Enter the amount from line 4	10	249,500	
11 Subtract line 10 from line 9. If zero or less, enter -0-	11	0	
12 Subtract line 11 from line 8. If zero or less, enter -0-	12		72,749
13 Additional Medicare Tax on self-employment income. Multiply line 12 by 0.9% (0.009). Enter here and go to Part III	13		655

Part III Additional Medicare Tax on Railroad Retirement Tax Act (RRTA) Compensation

14 Railroad retirement (RRTA) compensation and tips from Form(s) W-2, box 14 (see instructions)	14		
15 Enter the following amount for your filing status: Married filing jointly \$250,000 Married filing separately \$125,000 Single, Head of household, or Qualifying widow(er) \$200,000	15	200,000	
16 Subtract line 15 from line 14. If zero or less, enter -0-	16		0
17 Additional Medicare Tax on railroad retirement (RRTA) compensation. Multiply line 16 by 0.9% (0.009). Enter here and go to Part IV	17		

Part IV Total Additional Medicare Tax

18 Add lines 7, 13, and 17. Also include this amount on Schedule 4 (Form 1040), line 62 (check box a) (Form 1040NR, 1040-PR, and 1040-SS filers, see instructions), and go to Part V	18		1,101
--	----	--	-------

Part V Withholding Reconciliation

19 Medicare tax withheld from Form W-2, box 6. If you have more than one Form W-2, enter the total of the amounts from box 6	19	4,064	
20 Enter the amount from line 1	20	249,500	
21 Multiply line 20 by 1.45% (0.0145). This is your regular Medicare tax withholding on Medicare wages	21	3,618	
22 Subtract line 21 from line 19. If zero or less, enter -0-. This is your Additional Medicare Tax withholding on Medicare wages	22		446
23 Additional Medicare Tax withholding on railroad retirement (RRTA) compensation from Form W-2, box 14 (see instructions)	23		
24 Total Additional Medicare Tax withholding. Add lines 22 and 23. Also include this amount with federal income tax withholding on Form 1040, line 16 (Form 1040NR, 1040-PR, and 1040-SS filers, see instructions)	24		446

For Paperwork Reduction Act Notice, see your tax return instructions.

Form **8959** (2018)

Form **8960****Net Investment Income Tax—
Individuals, Estates, and Trusts**

OMB No 1545-2227

2018Attachment
Sequence No. **72**Department of the Treasury
Internal Revenue Service (59)

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form8960 for instructions and the latest information.

Name(s) shown on your tax return

Your social security number or EIN

Clifford Laughton**Part I Investment Income**☐ Section 6013(g) election (see instructions)☐ Section 6013(h) election (see instructions)☐ Regulations section 1.1411-10(g) election (see instructions)

1	Taxable interest (see instructions)	1	746
2	Ordinary dividends (see instructions)	2	
3	Annuities (see instructions)	3	
4a	Rental real estate, royalties, partnerships, S corporations, trusts, etc. (see instructions)	4a	
b	Adjustment for net income or loss derived in the ordinary course of a non-section 1411 trade or business (see instructions)	4b	
c	Combine lines 4a and 4b	4c	
5a	Net gain or loss from disposition of property (see instructions)	5a	
b	Net gain or loss from disposition of property that is not subject to net investment income tax (see instructions)	5b	
c	Adjustment from disposition of partnership interest or S corporation stock (see instructions)	5c	
d	Combine lines 5a through 5c	5d	
6	Adjustments to investment income for certain CFCs and PFICs (see instructions)	6	
7	Other modifications to investment income (see instructions)	7	87,548
8	Total investment income. Combine lines 1, 2, 3, 4c, 5d, 6, and 7	8	88,294

Part II Investment Expenses Allocable to Investment Income and Modifications

9a	Investment interest expenses (see instructions)	9a		
b	State, local, and foreign income tax (see instructions)	9b	2,026	
c	Miscellaneous investment expenses (see instructions)	9c		
d	Add lines 9a, 9b, and 9c	9d		2,026
10	Additional modifications (see instructions)	10		
11	Total deductions and modifications. Add lines 9d and 10	11		2,026

Part III Tax Computation

12	Net investment income. Subtract Part II, line 11, from Part I, line 8. Individuals complete lines 13–17. Estates and trusts, complete lines 18a–21. If zero or less, enter -0-	12	86,268
Individuals:			
13	Modified adjusted gross income (see instructions)	13	356,252
14	Threshold based on filing status (see instructions)	14	200,000
15	Subtract line 14 from line 13. If zero or less, enter -0-	15	156,252
16	Enter the smaller of line 12 or line 15	16	86,268
17	Net investment income tax for individuals. Multiply line 16 by 3.8% (0.038). Enter here and include on your tax return (see instructions)	17	3,278
Estates and Trusts:			
18a	Net investment income (line 12 above)	18a	
b	Deductions for distributions of net investment income and deductions under section 642(c) (see instructions)	18b	
c	Undistributed net investment income. Subtract line 18b from 18a (see instructions). If zero or less, enter -0-	18c	
19a	Adjusted gross income (see instructions)	19a	
b	Highest tax bracket for estates and trusts for the year (see instructions)	19b	
c	Subtract line 19b from line 19a. If zero or less, enter -0-	19c	
20	Enter the smaller of line 18c or line 19c	20	
21	Net investment income tax for estates and trusts. Multiply line 20 by 3.8% (0.038). Enter here and include on your tax return (see instructions)	21	

For Paperwork Reduction Act Notice, see your tax return instructions.

Form **8960** (2018)

Form **8283**

(Rev. December 2014)

Department of the Treasury
Internal Revenue Service**Noncash Charitable Contributions**▶ Attach to your tax return if you claimed a total deduction
of over \$500 for all contributed property.

OMB No. 1545-0908

Attachment

Sequence No

155▶ Information about Form 8283 and its separate instructions is at www.irs.gov/form8283.

Name(s) shown on your income tax return

Clifford Laughton

Identifying number

Note. Figure the amount of your contribution deduction before completing this form. See your tax return instructions.**Section A. Donated Property of \$5,000 or Less and Publicly Traded Securities**—List in this section **only** items (or groups of similar items) for which you claimed a deduction of \$5,000 or less. Also list publicly traded securities even if the deduction is more than \$5,000 (see instructions).**Part I Information on Donated Property**—If you need more space, attach a statement.

1	(a) Name and address of the donee organization	(b) If donated property is a vehicle (see instructions), check the box. Also enter the vehicle identification number (unless Form 1098-C is attached)	(c) Description of donated property (For a vehicle, enter the year, make, model, and mileage. For securities, enter the company name and the number of shares)
A	Salvation Army 322 Sumner Street Honolulu HI 96817	<input type="checkbox"/>	Clothes & Household Items
B	Helping Hands Hawaii 2100 Nimitz Hwy Honolulu HI 96719	<input type="checkbox"/>	Clothes & Household Items
C		<input type="checkbox"/>	
D		<input type="checkbox"/>	
E		<input type="checkbox"/>	

Note. If the amount you claimed as a deduction for an item is \$500 or less, you do not have to complete columns (e), (f), and (g).

	(d) Date of the contribution	(e) Date acquired by donor (mo., yr.)	(f) How acquired by donor	(g) Donor's cost or adjusted basis	(h) Fair market value (see instructions)	(i) Method used to determine the fair market value
A	Various	Various	Purchase	490	490	Thrift Shop Value
B	Various	Various	Purchase	3,760	3,760	Thrift Shop Value
C						
D						
E						

Part II Partial Interests and Restricted Use Property—Complete lines 2a through 2e if you gave less than an entire interest in a property listed in Part I. Complete lines 3a through 3c if conditions were placed on a contribution listed in Part I; also attach the required statement (see instructions).

- 2a** Enter the letter from Part I that identifies the property for which you gave less than an entire interest ▶ _____
If Part II applies to more than one property, attach a separate statement.
- b** Total amount claimed as a deduction for the property listed in Part I: (1) For this tax year ▶ _____
(2) For any prior tax years ▶ _____
- c** Name and address of each organization to which any such contribution was made in a prior year (complete only if different from the donee organization above):
Name of charitable organization (donee) _____
Address (number, street, and room or suite no.) _____
City or town, state, and ZIP code _____
- d** For tangible property, enter the place where the property is located or kept ▶ _____
- e** Name of any person, other than the donee organization, having actual possession of the property ▶ _____

- 3a** Is there a restriction, either temporary or permanent, on the donee's right to use or dispose of the donated property?
- b** Did you give to anyone (other than the donee organization or another organization participating with the donee organization in cooperative fundraising) the right to the income from the donated property or to the possession of the property, including the right to vote donated securities, to acquire the property by purchase or otherwise, or to designate the person having such income, possession, or right to acquire?

Yes	No

Form **1040****Form 1040 Reconciliation Worksheet****2018**
Filing Status: ☒ 1 Single ☐ 2 Married filing jointly ☐ 3 Married filing separately ☐ 4 Head of household* ☐ 5 Qualifying widow(er)*
MFS ~~separate~~ name

*Qualifying person that is a child but not a dependent:

Taxpayer first name and initial Clifford	Last name Laughton	Taxpayer social security number [REDACTED]
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If a joint return, spouse's first name and initial	Last name	Spouse's social security number
--	-----------	---------------------------------

Home address (number and street) If you have a P.O. box, see instructions 18124 Wedge Pkwy	Apt. no. 456	Presidential Election Campaign Taxpayer <input type="checkbox"/> Spouse <input type="checkbox"/>
--	------------------------	---

City, town or post office, state, and ZIP code Reno NV 89511	Foreign country name	Foreign province/state/county	Foreign postal code
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Foreign country name	Foreign province/state/county	Foreign postal code
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6a <input checked="" type="checkbox"/> Taxpayer. If someone can claim you as a dependent, do not check box 6a. b <input type="checkbox"/> Spouse	Boxes checked on 6a and 6b 1 Children on 6c who lived with you _____ Children on 6c who did not live with you _____ Dependents on 6c not entered above _____ Total Add lines above 1
---	--

6c Dependents:				(4) <input checked="" type="checkbox"/> if qualifies for		If more than four dependents, <input type="checkbox"/> here
(1) First name	Last name	(2) Social security number	(3) Relationship to you	Child tax credit	Other dependents	

Income (Schedule 1)	7 Wages, salaries, tips, etc. Attach Form(s) W-2	7	249,500		
	8a Taxable interest. Attach Schedule B if required	8a	746		
	b Tax-exempt interest. Do not include on line 8a	8b			
	9a Ordinary dividends. Attach Schedule B if required	9a			
	b Qualified dividends	9b			
	10 Taxable refunds, credits, or offsets of state and local income taxes	10			
	11 Alimony received	11			
	12 Business income or (loss). Attach Schedule C or C-EZ	12	87,548		
	13 Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/>	13			
	14 Other gains or (losses). Attach Form 4797	14			
15a IRA distributions	15a	b Taxable amount	15b		
16a Pensions and annuities	16a	b Taxable amount	16b		
17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17				
18 Farm income or (loss). Attach Schedule F	18	-8,773			
19 Unemployment compensation	19				
20a Social security benefits	20a	33,278	b Taxable amount	20b	28,286
21 Other income. List type and amount	21				
22 Combine the amounts in the far right column for lines 7 through 21. This is your total income	22	357,307			

Adjusted Gross Income (Schedule 1)	23 Educator expenses	23	
	24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24	
	25 Health savings account deduction. Attach Form 8889	25	
	26 Moving expenses. Attach Form 3903	26	
	27 Deductible part of self-employment tax. Attach Schedule SE	27	1,055
	28 Self-employed SEP, SIMPLE, and qualified plans	28	
	29 Self-employed health insurance deduction	29	
	30 Penalty on early withdrawal of savings	30	
	31a Alimony paid b Recipient's SSN	31a	
	32 IRA deduction	32	
33 Student loan interest deduction	33		
34 Reserved	34		
35 Reserved	35		
36 Add lines 23 through 35	36	1,055	
37 Subtract line 36 from line 22. This is your adjusted gross income	37	356,252	

Form **1040****Form 1040 Reconciliation Worksheet, Page 2****2018**

Name

Clifford Laughton

Taxpayer Identification Number

Tax and Credits
(Schedules 2, 3)**Standard Deduction for—**

• People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions

• All others:
Single or Married filing separately, \$12,000
Married filing jointly or Qualifying widow(er), \$24,000
Head of household, \$18,000

38	Amount from line 37 (adjusted gross income)	38	356,252
39a	Check <input checked="" type="checkbox"/> You were born before January 2, 1954, if: <input type="checkbox"/> Spouse was born before January 2, 1954 <input type="checkbox"/> Blind. <input type="checkbox"/> Blind. Total boxes checked 1	39a	1
b	If your spouse itemizes on a separate return or you were a dual-status alien, check here <input type="checkbox"/>	39b	
40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	54,030
41	Subtract line 40 from line 38	41	302,222
42	Qualified business income deduction (see instructions)	42	15,544
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	286,678
44	Tax (see instr.) Check if any from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 8878 c <input type="checkbox"/>	44	76,027
45	Alternative minimum tax (see instructions). Attach Form 6251	45	
46	Excess advance premium tax credit repayment. Attach Form 8962	46	
47	Add lines 44, 45, and 46	47	76,027
48	Foreign tax credit. Attach Form 1116 if required	48	
49	Credit for child and dependent care expenses. Attach Form 2441	49	
50	Education credits from Form 8863, line 19	50	
51	Retirement savings contributions credit. Attach Form 8880	51	
52	Child tax credit/credit for other dependents	52	
53	Residential energy credits. Attach Form 5695	53	
54	Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	54	
55	Add lines 48 through 54. These are your total credits	55	
56	Subtract line 55 from line 47. If line 55 is more than line 47 enter -0-	56	76,027
57	Self-employment tax. Attach Schedule SE	57	2,110
58	Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	58	
59	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	59	
60a	Household employment taxes from Schedule H	60a	
b	First-time homebuyer credit repayment. Attach Form 5405 if required	60b	
61	Health care: individual responsibility (see instructions) Full-year coverage or <input checked="" type="checkbox"/> exempt	61	
62	Taxes from: a <input checked="" type="checkbox"/> Form 8959 b <input checked="" type="checkbox"/> Form 8960 c <input type="checkbox"/> Instructions; enter code(s)	62	4,379
63	Section 965 net tax liability installment from Form 965-A	63	
64	Add lines 56 through 62. This is your total tax	64	82,516
65	Federal income tax withheld from Forms W-2 and 1099	65	60,007
66	2018 estimated tax payments and amount applied from 2017 return	66	
67a	Earned income credit (EIC)	67a	
b	Nontaxable combat pay election 67b		
68	Additional child tax credit. Attach Schedule 8812	68	
69	American opportunity credit from Form 8863, line 8	69	
70	Net premium tax credit. Attach Form 8962	70	
71	Amount paid with request for extension to file	71	
72	Excess social security and tier 1 RRTA tax withheld	72	
73	Credit for federal tax on fuels. Attach Form 4136	73	
74	Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> Reserved c <input type="checkbox"/> 8885 d <input type="checkbox"/>	74	
75	Add lines 65, 66, 67a, and 68 through 74. These are your total payments	75	60,007
76	If line 75 is more than line 64, subtract line 64 from line 75. This is the amount you overpaid	76	
77a	Amount of line 76 you want refunded to you. If Form 8888 is attached, check here <input type="checkbox"/>	77a	
b	Routing number <input type="text"/> c Type <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
d	Account number <input type="text"/>		
78	Amount of line 76 you want applied to your 2019 estimated tax	78	
79	Amount you owe. Subtract line 75 from line 64. For details on how to pay, see instructions	79	23,023
80	Estimated tax penalty (see instructions)	80	514

Other Taxes
(Schedule 4)**Payments**
(Schedule 5)**Refund****Amount You Owe****Interest Penalties****Third Party Designee**
(Schedule 6)**Other Info**☒ Paid Preparer is 3rd Party Designee, Third Party Designee information not requiredDo you want to allow another person to discuss this return with the IRS (see instructions)? ☐ Yes. Complete below. ☐ NoDesignee's name Personal identification number (PIN) Phone no Taxpayer Daytime phone number Taxpayer: Occupation **Administrator**IRS Identity Protection PIN Spouse: Occupation IRS Identity Protection PIN

Federal Statements**Rental Real Estate****Statement 1 - Schedule C, Line 6 - Other Income**

<u>Description</u>	<u>Amount</u>
Application Fee Income	\$ 2,490
Late Fees	17,102
Lease Termination Fee	9,438
Lock Out Income	50
Property Management Fees	16,594
Total	<u>\$ 45,674</u>

COPY - Do not file

Form **4868**Application for Automatic Extension of Time
To File U.S. Individual Income Tax Return

OMB No 1545-0074

2018Department of the Treasury
Internal Revenue Service▶ Go to www.irs.gov/Form4868 for the latest information.

(on bottom of page)

CUT HERE

Extension request originally filed electronically

Form **4868**Application for Automatic Extension of Time
To File U.S. Individual Income Tax Return

OMB No 1545-0074

2018Department of the Treasury
Internal Revenue Service

For calendar year 2018, or other tax year beginning

and ending

Part I Identification**1** Your name(s) (see instructions)**Tatsuguchi CPA LLC**
Clifford Laughton

Address (see instructions)

1314 S King St Ste 309

City, town, or post office

Honolulu

State

HI

ZIP Code

96814**2** Your social security number**3** Spouse's social security number**Part II Individual Income Tax****4** Estimate of total tax liability for 2018 \$ **0****5** Total 2018 payments **0****6** Balance due. Subtract line 5 from line 4 (see instructions) **0****7** Amount you're paying (see instr.) ▶ **0****8** Check here if you're "out of the country" and a U.S. citizen or resident (see instructions) ▶ ☐**9** Check here if you file Form 1040NR or 1040NR-EZ and didn't receive wages as an employee subject to U.S. income tax withholding ▶ ☐

For Privacy Act and Paperwork Reduction Act Notice, see page 4

Form **4868** (2018)

Form **1040****General Sales Tax Deduction Worksheet****2018**

Name as shown on return

Clifford Laughton

Taxpayer Identification Number

State of

Hawaii

Locality of

General Sales Tax from IRS Tables

1. Enter the amount of adjusted gross income (AGI) from Form 1040, Line 7 1. 356,252
2. Add the nontaxable amounts from Form 1040, lines 2b, 4a, 5a (Exclude rollovers and tax-free Sec 1035 exchanges) 2. 4,992
3. Add the following nontaxable items: nontaxable combat pay, public assistance, veteran's benefits, and workers' compensation.
Also include any amounts which increase spendable income, such as the refundable portion of refundable tax credits received in 2018 3. _____
4. Add lines 1 through 3, this is income for general sales tax table purposes 4. 361,244
5. Enter the amount from the sales tax table in the Schedule A instructions. 5. 1,651
Part-year residents, complete lines 6 - 8; Full-year residents skip lines 6 - 8
and enter the amount from line 5 on line 9
6. Enter the number of days of residence in state 6. _____
7. Total days in year 7. 365
8. Divide line 6 by line 7 (rounded to at least 3 decimal places) 8. _____
9. Multiply line 5 by line 8, this is the deductible general sales tax using the IRS table. 9. 1,651

Local Sales Tax Using IRS Tables

10. Enter the amount from the sales tax table in the Schedule A instructions. 10. _____
11. If you are a resident of Alaska, Arizona, Arkansas, Colorado, Georgia, Illinois, Louisiana, Mississippi, Missouri, New York, North Carolina, South Carolina, Tennessee, Utah, or Virginia, enter the amount from the applicable Optional Local Sales Tax Table in the Schedule A instructions. 11. _____
12. Enter the local general sales tax rate (exclude statewide local sales tax rate) 12. _____
13. Enter the state general sales tax rate (include statewide local sales tax rate) 13. _____
14. Divide line 12 by line 13 (rounded to at least 3 decimal places) 14. _____
15. If you entered an amount on line 11, multiply line 11 by line 12. This is the local sales tax using the optional local sales tax tables.
Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18
and enter the amount from line 15 on line 19 15. _____
If you did not enter an amount on line 11, multiply line 10 by line 14. This is the local sales tax using the optional state and certain local sales tax tables.
Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18
and enter the amount from line 15 on line 19
16. Enter the number of days of residence in locality 16. _____
17. Total days in year 17. 365
18. Divide line 16 by line 17 (rounded to at least 3 decimal places) 18. _____
19. Multiply line 15 by line 18. This is the deductible general local sales tax using the IRS tables. 19. _____

General Sales Tax Summary

20. Enter the sum of line 9 from all General Sales Tax Deduction Worksheets 20. _____
21. Enter the sum of line 19 from all General Sales Tax Deduction Worksheets 21. _____
22. Add lines 20 and 21, this is the total General Sales taxes using the tables 22. _____
23. Enter the actual state and local general sales taxes paid 23. _____
24. Enter the greater of line 22 or line 23 24. _____
25. Enter the state and local taxes paid on specified items (major purchases) 25. _____
26. Add lines 24 and 25, this is the deductible General Sales tax 26. _____
27. Enter total state and local income taxes paid 27. _____

Enter the greater of line 26 or 27 on Schedule A, line 5a. If line 26 is greater, mark the Schedule A, line 5a box.

Form **1040****General Sales Tax Deduction Worksheet****2018**

Name as shown on return

Clifford Laughton

Taxpayer Identification Number

State of

North Carolina

Locality of

General Sales Tax from IRS Tables

- | | | |
|--|----|----------------|
| 1. Enter the amount of adjusted gross income (AGI) from Form 1040, Line 7 | 1. | <u>356,252</u> |
| 2. Add the nontaxable amounts from Form 1040, lines 2b, 4a, 5a (Exclude rollovers and tax-free Sec. 1035 exchanges) | 2. | <u>4,992</u> |
| 3. Add the following nontaxable items: nontaxable combat pay, public assistance, veteran's benefits, and workers' compensation.
Also include any amounts which increase spendable income, such as the refundable portion of refundable tax credits received in 2018 | 3. | |
| 4. Add lines 1 through 3, this is income for general sales tax table purposes | 4. | <u>361,244</u> |
| 5. Enter the amount from the sales tax table in the Schedule A instructions.
Part-year residents, complete lines 6 - 8; Full-year residents skip lines 6 - 8
and enter the amount from line 5 on line 9 | 5. | <u>1,449</u> |
| 6. Enter the number of days of residence in state | 6. | |
| 7. Total days in year | 7. | <u>365</u> |
| 8. Divide line 6 by line 7 (rounded to at least 3 decimal places) | 8. | |
| 9. Multiply line 5 by line 8, this is the deductible general sales tax using the IRS table | 9. | <u>1,449</u> |

Local Sales Tax Using IRS Tables

- | | | |
|--|-----|------------|
| 10. Enter the amount from the sales tax table in the Schedule A instructions. | 10. | |
| 11. If you are a resident of Alaska, Arizona, Arkansas, Colorado, Georgia, Illinois, Louisiana, Mississippi, Missouri, New York, North Carolina, South Carolina, Tennessee, Utah, or Virginia, enter the amount from the applicable Optional Local Sales Tax Table in the Schedule A instructions. | 11. | |
| 12. Enter the local general sales tax rate (exclude statewide local sales tax rate) | 12. | |
| 13. Enter the state general sales tax rate (include statewide local sales tax rate) | 13. | |
| 14. Divide line 12 by line 13 (rounded to at least 3 decimal places) | 14. | |
| 15. If you entered an amount on line 11, multiply line 11 by line 12. This is the local sales tax using the optional local sales tax tables.
Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18
and enter the amount from line 15 on line 19
If you did not enter an amount on line 11, multiply line 10 by line 14. This is the local sales tax using the optional state and certain local sales tax tables.
Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18
and enter the amount from line 15 on line 19 | 15. | |
| 16. Enter the number of days of residence in locality | 16. | |
| 17. Total days in year | 17. | <u>365</u> |
| 18. Divide line 16 by line 17 (rounded to at least 3 decimal places) | 18. | |
| 19. Multiply line 15 by line 18. This is the deductible general local sales tax using the IRS tables. | 19. | |

General Sales Tax Summary

- | | | |
|---|-----|---------------|
| 20. Enter the sum of line 9 from all General Sales Tax Deduction Worksheets | 20. | <u>3,100</u> |
| 21. Enter the sum of line 19 from all General Sales Tax Deduction Worksheets | 21. | |
| 22. Add lines 20 and 21, this is the total General Sales taxes using the tables | 22. | <u>3,100</u> |
| 23. Enter the actual state and local general sales taxes paid | 23. | |
| 24. Enter the greater of line 22 or line 23 | 24. | <u>3,100</u> |
| 25. Enter the state and local taxes paid on specified items (major purchases) | 25. | |
| 26. Add lines 24 and 25, this is the deductible General Sales tax | 26. | <u>3,100</u> |
| 27. Enter total state and local income taxes paid | 27. | <u>34,414</u> |

Enter the greater of line 26 or 27 on Schedule A, line 5a. If line 26 is greater, mark the Schedule A, line 5a box.

Form **1040****Home Mortgage Limit Worksheet A****2018**

Name

Clifford Laughton

Taxpayer Identification Number

Part I Qualified Loan Limit

1. Enter the average balance of all your grandfathered debt. See the line 1 instructions	1.	
2. Enter the average balance of all your home acquisition debt incurred prior to December 16, 2017. See the line 2 instructions	2.	1,728,358
3. Enter \$1,000,000 (\$500,000 if married filing separately)	3.	1,000,000
4. Enter the larger of the amount on line 1 or the amount on line 3	4.	1,000,000
5. Add the amounts on lines 1 and 2. Enter the total here	5.	1,728,358
6. Enter the smaller of the amount on line 4 or the amount on line 5	6.	1,000,000
<ul style="list-style-type: none"> ● If you have no home acquisition debt incurred after December 15, 2017, line 6 is your qualified loan limit. Enter this amount on line 11 and go to Part II, line 12. ● If you have home acquisition debt incurred after December 15, 2017, go to line 7 		
7. Enter the average balance of all your home acquisition debt incurred after December 15, 2017. See the line 7 instructions	7.	
8. Enter \$750,000 (\$375,000 if married filing separately)	8.	
9. Enter the larger of the amount on line 6 or the amount on line 8	9.	
10. Add the amounts on lines 6 and 7. Enter the total here	10.	
11. Enter the smaller of line 9 or line 10. This is your qualified loan limit	11.	1,000,000

Part II Deductible Home Mortgage Interest

12. Enter the total of the average balances of all mortgages on all qualified homes. See the line 12 instructions	12.	1,728,358
<ul style="list-style-type: none"> ● If line 11 is less than line 12, go on to line 13. ● If line 11 is equal to or more than line 12, stop here. All of your interest on all the mortgages included on line 12 is deductible as home mortgage interest on Schedule A (Form 1040), line 8a or 8b, whichever applies. 		
13. Enter the total amount of interest that you paid. See the line 13 instructions	13.	68,705
14. Divide the amount on line 11 by the amount on line 12. Enter the result as a decimal amount (rounded to three places)	14.	0.579
15. Multiply the amount on line 13 by the decimal amount on line 14. Enter the result. This is your deductible home mortgage interest. Enter this amount on Schedule A (Form 1040), line 8a or 8b, whichever applies	15.	39,780
16. Subtract the amount on line 15 from the amount on line 13. Enter the result. This is not home mortgage interest. See line 16 instructions	16.	28,925

Deductible Points

		Points reported on Form 1098		Points not reported on Form 1098
17. Points paid during current year	17.		17.	
18. Decimal amount from Part II, line 14	18.	0.579	18.	0.579
19. Points deductible as home mortgage interest	19.		19.	
20. Points not deductible as home mortgage interest	20.		20.	

Form **1040****Mixed Use Mortgage Worksheets****2018**

Name

Clifford Laughton

Taxpayer Identification Number

[REDACTED]

Description of loan/property **611 Puuikena Dr, Honolulu, HI 96821** Loan Origination Date **02/25/16** Unit No. **1**

1. Enter the total principal amount paid in 2018	1. <u>9,862</u>
2. Number of months loan was outstanding in 2018	2. <u>12</u>
3. Grandfather debt balance on 12/31/17 (or the first day the mortgage was outstanding)	3. _____
4. Grandfather debt balance on 12/31/18 (or the last day the mortgage was outstanding)	4. _____
5. Average balance for 2018 of grandfather debt	5. _____
6. Pre-12/16/17 home acquisition/improvement debt balance on 12/31/17 (or the first day mortgage was outstanding)	6. <u>1,733,289</u>
7. Pre-12/16/17 home acquisition/improvement debt balance on 12/31/18 (or the last day mortgage was outstanding)	7. <u>1,723,427</u>
8. Average balance for 2018 of pre-12/16/17 home acquisition debt	8. <u>1,728,358</u>
9. Post-12/15/17 home acquisition/improvement debt balance on 12/31/17 (or the first day mortgage was outstanding)	9. _____
10. Post-12/15/17 home acquisition/improvement debt balance on 12/31/18 (or the last day mortgage was outstanding)	10. _____
11. Average balance for 2018 of post-12/15/17 home acquisition debt	11. _____
12. Average balance for 2018 of all types of debt	12. <u>1,728,358</u>

Mixed Use Mortgage Summary

Average balance grandfather debt for 2018; enter the result on Home Mortgage Limit Worksheet A, line 1

Average balance pre-12/16/17 home acquisition/improvement debt for 2018; enter the result on Home Mortgage Limit Wrk A, line 2

Average balance post-12/15/17 home acquisition/improvement debt for 2018; enter the result on Home Mortgage Limit Wrk A, line 7

Average balance of all debt types for 2018; enter the result on Home Mortgage Limit Worksheet A, line 12

1,728,3581,728,358

Form **1040****Form 8960 - Net Investment Income Worksheet 2****2018**

Name

Clifford Laughton

Taxpayer Identification Number

Form 8960, Line 7, Other modifications to investment income**Section 1411 Net Operating Loss**

NOL Origination Year	Regular Tax NOL	Regular Tax NOL Utilized	Applicable Portion of NOL	Section 1411 NOL Utilized
Calendar Year 2013			0.0 %	
Calendar Year 2014			0.0 %	
Calendar Year 2015			0.0 %	
Calendar Year 2016			0.0 %	
Calendar Year 2017			0.0 %	
Calendar Year 2018			0.0 %	

Other Modifications to Investment Income

Description	Adjustment/Modification
Rental Real Estate	87,548
Additional modification	▶
Total other modifications	▶ 87,548

Deduction recovery amount from Form 8960 - Net Investment Income Worksheet 5

Other modifications to investment income. Enter on Form 8960, line 7

87,548

(Sum of Section 1411 NOL Utilized, Other modifications, and Deduction recovery)

Form **1040****Qualified Business Income (QBI) Component Worksheet****2018**

Name

Clifford Laughton

Taxpayer Identification Number

Part I: Trade, Business, or Aggregation Information

1. Name of trade or business **Executive Centre Apartments LLC**
 Form / Schedule **C** Unit number **1** **Rental Real Estate**

Mark if a Specified Service Trade or Business (SSTB)

Part II: Determine Your Qualified Business Income Component

- | | | |
|--|-----|------------------|
| 2. Qualified business income from the trade, business, or aggregation | 2. | 77,720 |
| 3. Multiply Line 2 by 20% (.20). | 3. | 15,544 |
| If taxable income before deduction is less than \$157,500 (\$315,000 MFJ), skip lines 4 through 12. Enter line 3 on line 13. | | |
| 4. Allocable share of W-2 wages for this trade, business or aggregation | 4. | 0 |
| 5. Multiply line 4 by 50% (0.50) | 5. | 0 |
| 6. Multiply line 4 by 25% (0.25) | 6. | 0 |
| 7. Allocable share of the unadjusted basis immediately after acquisition | 7. | 8,092,466 |
| 8. Multiply line 7 by 2.5% (0.025) | 8. | 202,312 |
| 9. Add lines 6 and 8. | 9. | 202,312 |
| 10. Enter the greater of line 5 or line 9 | 10. | 202,312 |
| 11. W-2 wage and qualified property limitation. Enter the smaller of line 3 or line 10. | 11. | 15,544 |
| 12. Phased-in reduction. Enter amount from Part III, line 26, if any. | 12. | |
| 13. Qualified business income deduction before patron reduction. Enter the greater of line 11 or line 12. | 13. | 15,544 |
| 14. Patron reduction. Enter the amount from Schedule D, line 6, if any. | 14. | |
| 15. Qualified business income component. Subtract line 14 from line 13 | 15. | 15,544 |
| 16. Complete additional worksheet for remaining qualified trades, businesses or aggregations, if any. | 16. | |

Go to Part IV: Determine Your Qualified Business Income Deduction after all qualified business income components determined.

Part III: Phased-in Reduction

Complete Part III only if your taxable income is more than \$157,500 but not over \$207,500 (\$315,000 and \$415,000 if married filing jointly), and line 10 is less than line 3. Otherwise, skip Part III.

- | | | |
|---|-----|--|
| 17. Enter amount from line 3 | 17. | |
| 18. Enter the amount from line 10 | 18. | |
| 19. Subtract line 18 from line 17 | 19. | |
| 20. Taxable income before qualified business income deduction | 20. | |
| 21. Threshold. Enter \$157,500 (\$315,000 if married filing jointly) | 21. | |
| 22. Subtract line 21 from line 20 | 22. | |
| 23. Phase-in range. Enter \$50,000 (\$100,000 if married filing jointly) | 23. | |
| 24. Phase-in percentage. Divide line 22 by line 23 | 24. | |
| 25. Total phase-in reduction. Multiply line 19 by line 24 | 25. | |
| 26. Qualified business income after phase-in reduction. Subtract line 25 from line 17. Enter this amount on line 12 | 26. | |

Schedule D - Special Rules for Patrons of Agricultural or Horticultural Cooperatives (Coop)

- | | | |
|--|----|----------|
| 1. Complete this schedule only if above trade, business or aggregation is a patron of an agricultural or horticultural cooperative | | |
| 2. Qualified business income allocable to qualified payments received from cooperative | 2. | |
| 3. Multiply line 2 by 9% (0.09) | 3. | |
| 4. W-2 wages from trade or business allocable to the qualified payments | 4. | 0 |
| 5. Multiply line 4 by 50% (0.50) | 5. | 0 |
| 6. Patron reduction. Enter the smaller of line 3 or line 5. Enter this amount on Part II, line 14 | 6. | 0 |

Form **1040****Qualified Business Income Deduction (QBID) Worksheet****2018**

Name

Clifford Laughton

Taxpayer Identification Number

Part IV: Determine Your Qualified Business Income Deduction

27. Total qualified business income component from all trades, businesses, or aggregations. Enter total of all Part II, line 1527.	15,544
28a. Qualified real estate investment trust dividends	28a.
28b. Qualified publicly traded partnership income or (loss)	28b.
29. Total qualified REIT and PTP loss carryforward from the prior year. Enter as a negative number.	29.
30. Total qualified REIT and PTP income. Add lines 28 and 29. If zero or less, enter -0-	0
31. REIT and PTP component. Multiply line 30 by 20% (.20).	31.
32. Qualified business income deduction before the income limitation. Add lines 27 and 31.	15,544
33. Taxable income before qualified business income deduction	302,222
34. Net capital gain (see instructions)	34.
35. Excess of taxable income over net capital gain. Subtract line 34 from line 33. If less than zero, enter -0-	302,222
36. Income limit. Multiply line 35 by 20% (.20)	60,444
37. Qualified business income deduction. Enter the smaller of Line 32 or Line 36. Enter deduction on Form 1040, line 9.	15,544
38. Total qualified REIT dividend and qualified PTP loss carryforward. Add lines 28 and 29. If zero or greater enter -0-	38.
39. DPAD under section 199A(g) allocated from an agricultural or horticultural cooperative. Don't enter more than line 33 minus line 37. Enter this deduction on Form 1040, line 10. See the instructions for Form 1040, line 10	39.

Schedule A - Specified Service Trades or Businesses (SSTB)

1. Complete only for specified service trade or business and taxable income is more than \$157,500 but not over \$207,500 (\$315,000 and \$415,000 if married filing jointly).	1.
2. Qualified business income from the trade or business	2.
3. Allocable share of W-2 wages from the trade or business	3.
4. Allocable share of the unadjusted basis of the trade or business qualified property	4.
5. Taxable income before qualified business income deduction	5.
6. Threshold. Enter \$157,500 (\$315,000 if married filing jointly)	6.
7. Subtract line 6 from line 5	7.
8. Phase-in range. Enter \$50,000 (\$100,000 if married filing jointly)	8.
9. Divide line 7 by line 8	9.
10. Applicable percentage. Subtract line 9 from 100%	10.
11. Applicable percentage of qualified business income. Multiply line 2 by line 10. Enter on Schedule C or Part II, line 2.	11.
12. Applicable percentage of W-2 wages. Multiply line 3 by line 10. Enter on Part II, line 4.	12.
13. Applicable percentage of unadjusted basis of qualified property. Multiply line 4 by line 10. Enter on Part II, line 7.	13.

Schedule C - Loss Netting and Carryforward

1a. Trade, business, or aggregation qualified business income (loss). See statement.	77,720
1b. Reduction for loss netting. See statement.	8,773
1c. Adjusted qualified business income. See statement.	77,720
2. Qualified business net loss carryforward from prior years	2.
3. Total trade or business losses. Combine the negative amounts in line 1a and 2, for all businesses	-8,773
4. Total trade or business income. Add the positive amounts of line 1a, for all trades and businesses.	86,493
5. Losses netted with income of other trades or businesses. Enter as a negative number, the smaller of the absolute value of line 3 or line 4. Allocate the amount to each trade or business	-8,773
6. Qualified business net loss carryforward. Subtract line 5 from line 3. If greater than zero, enter -0-	6.

Schedule C	Qualified Business Income Calculation Worksheet	2018
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>
Principle business or profession Rental Real Estate		Form/Schedule Unit C 1

1. Schedule C, Line 31, Net profit or (loss)	1.	87,548
Additions for qualified business income:		
2. Form 4797, Ordinary income	2.	
Prior to TCJA suspended losses allowed:		
3. Passive suspended losses	3.	
4. At-Risk suspended losses	4.	
5. Section 179 carryover plus excess farm loss	5.	
6. Total additions to net profit or (loss). Add lines 2 through 5.	6.	
Subtractions for qualified business income		
7. Form 4797, Ordinary loss (includes share of Net section 1231 losses)	7.	
8. Deductible portion of self-employment taxes	8.	1,055
9. Self-employed SEP, SIMPLE, and qualified plans	9.	
10. Self-employed health insurance deduction	10.	
11. Passive suspended to next year	11.	
12. At-Risk suspended to next year	12.	
13. Total subtraction to net profit or (loss). Add lines 7 through 12.	13.	1,055
14. Qualified business income for this activity. Line 1 plus line 6 less line 13	14.	86,493

Carryovers:

Passive activity:

Operating

Form 4797, Part II

Section 1231 loss

At-Risk:

Operating

Form 4797, Part II

Section 1231 loss

Section 179

Section 179 - COGS

Other:

Section 179

Section 179 - COGS

Pre -TCJA

Post-TCJA

Section 179 carryover

Form **1040****Net Earnings from Self-Employment Worksheet****2018**

Name

Clifford Laughton

Taxpayer Identification Number

	Taxpayer	Spouse
Farm profit or (loss)		
Schedule F	-8,773	
Farm Partnerships - Schedule K-1, box 14, code A	()	()
Auto expense from farm partnerships	()	()
Amortization from farm partnerships	()	()
Depreciation & Section 179 from farm partnerships	()	()
Depletion from farm partnerships	()	()
Other expenses from farm partnerships	()	()
Home office expenses from farm partnerships	()	()
Unreimbursed partnership expenses from farm partnerships	()	()
Debt financed acquisition interest from farm partnerships	()	()
Farm adjustment to SE Income		
Net farm profit or (loss) - Schedule SE line 1a	-8,773	0
Conservation Reserve Program payments to social security/disability benefit recipients included on Sch F, In 4b or listed on Sch K-1 (Form 1065), box 20, code AH- Sch SE line 1b	(0)	(0)
Nonfarm profit or (loss)		
Schedule C (excluding minister Schedule C income reported below)	87,548	
Nonfarm partnerships - Schedule K-1, box 14, code A	()	()
Auto expense from nonfarm partnerships	()	()
Amortization from nonfarm partnerships	()	()
Depreciation & section 179 from nonfarm partnerships	()	()
Depletion from nonfarm partnerships	()	()
Other expenses from nonfarm partnerships	()	()
Home office expenses from nonfarm partnerships	()	()
Unreimbursed partnership expenses from nonfarm partnerships	()	()
Debt financed acquisition interest from nonfarm partnerships	()	()
Nonfarm adjustment to SE income		
Self-employment income reported as other income		
Self-employment income from contracts and straddles		
Minister/clergy self-employment income (from Clergy Worksheet Page 3, line 7)		
Net nonfarm profit or (loss) - Schedule SE line 2	87,548	0
Other income items subject to and/or exempt from self-employment tax		
Fees received for services performed as a notary public	()	()
Earnings while debtor in a chapter 11 bankruptcy case		
Taxable community property income/-loss	()	()
Exempt community property income/-loss	()	()
Net adjustment included on Schedule SE, line 3	0	0
Net profit (loss) from self-employment activities - Schedule SE line 3	78,775	0
Church employee income - Schedule SE, Page 2 line 5a		

Form 1040	Social Security Worksheet	2018
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

If you are married filing separately and you **lived apart** from your spouse for all of 2018:

- Form 1040: Enter "D" to the right of the word "benefits" on line 5a.

1. Enter the total amount from box 5 of all your Forms SSA-1099 and Forms RRB-1099 (if applicable) Also, enter this amount on Form 1040, line 5a.	1. <u>33,278</u>
2. Multiply line 1 by 50% (0.50).	2. <u>16,639</u>
3. Add the amounts on Form 1040, lines 1, 2a, 2b, 3b, 4b, and Schedule 1, line 22. Also, enter the total of any exclusion/adjustments for Qualified U.S. savings bond interest (Form 8815, line 14), adoption benefits (Form 8839, line 28), foreign earned income or housing (Form 2555, lines 45 and 50), certain income of bona fide residents of American Samoa (Form 4563, line 15) or Puerto Rico	3. <u>329,021</u>
4. Add lines 2 and 3	4. <u>345,660</u>
5. Enter the total of the amounts from Schedule 1, lines 23 thru 32, plus adjust from Schedule 1, line 36, excluding DPAD.	5. <u>1,055</u>
6. Subtract line 5 from line 4	6. <u>344,605</u>
7. Enter \$25,000 (\$32,000 if married filing jointly; \$0 if married filing separately and you lived with your spouse at any time during 2018)	7. <u>25,000</u>
8. Subtract line 7 from line 6. If zero or less, enter -0- <ul style="list-style-type: none"> ● If line 8 is zero, stop here. None of your benefits are taxable. Enter -0- on Form 1040, line 5b. If you are married filing separately and you lived apart from your spouse for all of 2018, enter -0- on Form 1040, line 5b. ● If line 8 is more than zero, go to line 9. 	8. <u>319,605</u>
9. Enter \$9,000 (\$12,000 if married filing jointly; \$0 if married filing separately and you lived with your spouse at any time during 2018)	9. <u>9,000</u>
10. Subtract line 9 from line 8. If zero or less, enter -0-	10. <u>310,605</u>
11. Enter the smaller of line 8 or line 9	11. <u>9,000</u>
12. Enter one half of line 11	12. <u>4,500</u>
13. Enter the smaller of line 2 or line 12	13. <u>4,500</u>
14. Multiply line 10 by 85% (0.85). If line 10 is zero, enter -0-	14. <u>264,014</u>
15. Add lines 13 and 14	15. <u>268,514</u>
16. Multiply line 1 by 85% (0.85)	16. <u>28,286</u>
17. Taxable benefits. Enter the smaller of line 15 or line 16. Also, enter this amount on Form 1040, line 5b.	17. <u>28,286</u>
Percentage of total Social Security benefits received included as taxable income.	<u>85.0 %</u>

Note: If part of your benefits are taxable for 2018 and they include benefits paid in 2018 that were for an earlier year, you may be able to reduce the taxable amount shown on the worksheet. See Pub. 915 for details

Federal Statements**Schedule A, Line 5a - State and Local Taxes**

Description	Amount
State Withholding on W-2s	\$ 19,133
State Tax Payments	15,281
Total Income Taxes*	34,414
General Sales Tax	3,100
Total Sales Taxes	3,100

*Income taxes are being deducted

Schedule A, Line 5b - Real Estate Taxes

Description	Amount
611 Puuikena Dr	\$ 7,678
Total	\$ 7,678

Schedule A, Line 8a - Home Mortgage Interest & Points From Form 1098

Description	Amount
Mortgage Int - Worksheet A	\$ 39,780
Total	\$ 39,780

Schedule A, Line 12 - Charitable Contributions Other Than Cash or Check

Description	Amount
50% Contrib from 8283	\$ 4,250
Total	\$ 4,250

Federal Statements**Rental Real Estate****Schedule C, Line 23 - Taxes and Licenses**

<u>Description</u>	<u>Amount</u>
Hawaii General Excise Tax	\$ 88,818
Real estate taxes	111,675
Licenses and fees	1,203
Total	<u>\$ 201,696</u>

Federal Statements**Greystone Vineyards LLC****Schedule F, Line 29 - Taxes**

Description	Amount
Licenses	\$ 250
Total	\$ 250



Federal Statements

Form 8960, Line 9b - State, local, and foreign income tax

Description	Amount
State and local taxes	\$ 8,176
Reasonable meth alloc percent: 24.78	
State/local taxes attrib to NII	2,026

Federal Statements

Qualified Business Income Deduction, Schedule C, Line 1 - Loss Netting

Trade or Business	Screen	Unit #	1a) Qualified Business Income or (loss)	1b) Reduc for Loss Ne
Greystone Vineyards LLC	F	1	\$ -8,773	\$
Executive Centre Apartments LLC	C	1	86,493	8,
Total			\$ 77,720	\$ 8,

Federal Statements**Qualified Business Income Deduction, Schedule C, Line 6 - Allocation of Losses to Each Trade or Business**

<u>Trade or Business</u>	<u>Form/ Sch</u>	<u>Qualified Business Income</u>	<u>Ratio</u>	<u>Allocated QBI Loss</u>
Executive Centre Apartments LLC	C	\$ 86,493	1.0000	\$ 8,773
Total		\$ 86,493	1.0000	\$ 8,773

Federal Asset Report

Rental Real Estate

FYE: 12/31/2018

Asset	Description	Date In Service	Cost	Bus %	Sec 179 Bonus	Basis for Depr	Per Conv Meth	Prior	Current
Prior MACRS:									
1	Parking Stalls	9/19/12	1,941,368			1,941,368	39 MMS/L	263,417	49,779
2	Building Units	9/19/12	6,151,098			6,151,098	27 MMS/L	1,183,614	223,677
			<u>8,092,466</u>			<u>8,092,466</u>		<u>1,447,031</u>	<u>273,456</u>
Amortization:									
3	Startup Legal Fees	9/20/12	3,800			3,800	15 MOAmort	1,351	253
			<u>3,800</u>			<u>3,800</u>		<u>1,351</u>	<u>253</u>
Grand Totals			<u>8,096,266</u>			<u>8,096,266</u>		1,448,382	273,709
Less: Dispositions and Transfers			0			0		0	0
Less: Start-up/Org Expense			0			0		0	0
Net Grand Totals			<u>8,096,266</u>			<u>8,096,266</u>		<u>1,448,382</u>	<u>273,709</u>

AMT Asset Report

Rental Real Estate

FYE: 12/31/2018

Asset	Description	Date In Service	Cost	Bus %	Sec 179 Bonus	Basis for Depr	Per Conv Meth	Prior	Current
Prim MACRS:									
1	Parking Stalls	9/19/12	1,941,368			1,941,368	39 MMS/L	263,417	49,779
2	Building Units	9/19/12	6,151,098			6,151,098	27 MMS/L	1,183,614	223,677
			<u>8,092,466</u>			<u>8,092,466</u>		<u>1,447,031</u>	<u>273,456</u>
Grand Totals			8,092,466			8,092,466		1,447,031	273,456
Less: Dispositions and Transfers			0			0		0	0
Net Grand Totals			<u>8,092,466</u>			<u>8,092,466</u>		<u>1,447,031</u>	<u>273,456</u>

Depreciation Adjustment Report
All Business Activities

FYE: 12/31/2018

Form	Unit	Asset	Description	Tax	AMT	AMT Adjustments/ Preferences
<u>MACRS Adjustments:</u>						
C	1	1	Parking Stalls	49,779	49,779	0
C	1	2	Building Units	223,677	223,677	0
				<u>273,456</u>	<u>273,456</u>	<u>0</u>

Form **1040**

Salaries & Wages Report

2018

Name
Clifford Laughton

Taxpayer Identification Number

T/S	Employer	Federal Wages	Federal Withheld	Soc Sec Wages
A	Hawaii Holdings LLC	249,500	59,561	128,400
B				
C				
D				
E				
F				
G				
H				
I				
J				
K				
L				
M				
Taxpayer Spouse Totals		249,500	59,561	128,400

	Soc Sec Withheld	Medicare Wages	Medicare Withheld	Soc Sec Tips	Allocated Tips	Dep Care Ben	Other, Box 14
A	7,961	249,500	4,064				
B							
C							
D							
E							
F							
G							
H							
I							
J							
K							
L							
M							
Taxpayer Spouse Totals							
	7,961	249,500	4,064				

	State	State Wages	State Withheld	Name of Locality	Local Wages	Local Withheld
A	HI	249,500	19,133			
B						
C						
D						
E						
F						
G						
H						
I						
J						
K						
L						
M						
Taxpayer Spouse Totals						
		249,500	19,133			

2018

Taxpayer Identification Number

Clifford Laughton

[illegible]

TAXPAYER COPY

**Tatsuguchi CPA LLC
1314 S King St Ste 309
Honolulu, HI 96814
808-589-2100**

October 22, 2020

Clifford Laughton
140 W Huffaker Ln Apt. 510
Reno, NV 89511

Federal law requires us, as paid tax return preparers, who prepare and file 11 or more federal income tax returns, to electronically file **all** 2019 federal income tax returns we prepare in 2020. You may independently elect to file your tax return on paper. We are required to obtain, and keep on file, a signed statement of your choice to file on paper. **The signed statement will not be submitted to the IRS or attached to your 2019 tax return.** Form 8948, Preparer Explanation for Not Filing Electronically will be attached to your tax return. Please sign and date the declaration below to document your choice to file your 2019 tax return on paper and return to:

**Tatsuguchi CPA LLC
1314 S King St Ste 309
Honolulu, HI 96814**

TAXPAYER DECLARATION TO FILE TAX RETURN ON PAPER

My tax return preparer, Tatsuguchi CPA LLC, has informed me that he or she may be required to electronically file my 2019 individual income tax return 1040 if he or she files it with the IRS on my behalf (e.g., submits it by mail to the IRS). I understand that electronic filing may provide a number of benefits to taxpayers, including an acknowledgment that the IRS received the returns, a reduced chance of errors in processing the returns, and faster refunds. I do not want to have my return electronically filed, and I choose to file my return on paper forms. I will mail or otherwise submit my paper return to the IRS myself. My preparer will not file or otherwise mail or submit my paper return to the IRS. I was not influenced by Tatsuguchi CPA LLC or any member of his or her firm to sign this statement.

Executor Signature

Date Signed

Form 1040	Department of the Treasury—Internal Revenue Service (99) U.S. Individual Income Tax Return	2019	OMB No. 1545-0074	IRS Use Only—Do not write or staple in this space.
------------------	--	-------------	-------------------	--

Filing Status ☒ Single ☐ Married filing jointly ☐ Married filing separately (MFS) ☐ Head of household (HOH) ☐ Qualifying widow(er) (QW)

Check only one box.
If you checked the MFS box, enter the name of spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent. ▶

Your first name and middle initial Clifford	Last name Laughton	Deceased 07/13/20	Your social security number [REDACTED]
If joint return, spouse's first name and middle initial	Last name	Spouse's social security number	

Home address (number and street). If you have a P O box, see instructions.
140 W Huffaker Ln

Apt. no. **510**

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).
Reno NV 89511

Foreign country name Foreign province/state/county Foreign postal code

If more than four children, see instr. and check here ▶

Standard Deduction ☐ Someone can claim ☐ You as a dependent ☐ Your spouse as a dependent ☐ Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness You: ☒ Were born before January 2, 1955 ☐ Are blind **Spouse:** ☐ Was born before January 2, 1955 ☐ Is blind

Dependents (see instructions)	(2) Social security number	(3) Relationship to you	(4) <input checked="" type="checkbox"/> if qualifies for (see instructions):	Child tax credit	Credit

1 Wages, salaries, tips, etc. Attach Form(s) W-2 2a Tax-exempt interest 3a Qualified dividends 4a IRA distributions c Pensions and annuities 5a Soc. sec. ben. 6 Capital gain or (loss). Attach Schedule D if required. If not required, check here 7a Other income from Schedule 1, line 9 b Add lines 1, 2b, 3b, 4b, 4d, 5b, 6, and 7a. This is your total income 8a Adjustments to income from Schedule 1, line 22 b Subtract line 8a from line 7b. This is your adjusted gross income 9 Standard deduction or itemized deductions (from Schedule A) 10 Qualified business income deduction. Attach Form 8995 or Form 8995-A 11a Add lines 9 and 10	1 249,500 2b 3,220 3b 4b 4d 5b 29,833 6 7a -2,974 7b 279,579 8a 0 8b 279,579 9 189,835 10 11a 189,835 11b 89,744
--	---

11b **Taxable income.** Subtract line 11a from line 11a. If zero, enter -0-

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

Form **1040** (2019)

Form 1040 (2019)

Clifford Laughton

Page 2

12a Tax (see instr.) Check if any from Form(s): 1 8814 2 4972

3

12a 15,709

b Add Schedule 2, line 3, and line 12a and enter the total

12b 15,709

13a Child tax credit or credit for other dependents

13a

b Add Schedule 3, line 7, and line 13a and enter the total

13b

14 Subtract line 13b from line 12b. If zero or less, enter -0-

14 15,709

15 Other taxes, including self-employment tax, from Schedule 2, line 10

15 446

16 Add lines 14 and 15. This is your total tax

16 16,155

17 Federal income tax withheld from Forms W-2 and 1099

17 61,634

18 Other payments and refundable credits:

a Earned income credit (EIC)

18a

b Additional child tax credit. Attach Schedule 8812

18b

c American opportunity credit from Form 8863, line 8

18c

d Schedule 3, line 14

18d

e Add lines 18a through 18d. These are your total other payments and refundable credits

18e

19 Add lines 17 and 18e. These are your total payments

19 61,634

Refund

20 If line 19 is more than line 16, subtract line 16 from line 19. This is the amount you overpaid

20 45,479

21a Amount of line 20 you want refunded to you. If Form 8888 is attached, check here

21a 45,479

b Routing number 122400724 Type: X Checking Savings

d Account number 004960310784

22 Amount of line 20 you want applied to your 2020 estimated tax

22

Amount You Owe

23 Amount you owe. Subtract line 19 from line 16. For details on how to pay, see instructions

23

24 Estimated tax penalty (see instructions)

24

Third Party Designee

Do you want to allow another person (other than your paid preparer) to discuss this return with the IRS? See instructions.

Yes. Complete below

No

(Other than paid preparer)

Designee's name

Phone no.

Personal identification number (PIN)

Sign Here

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

Your signature

Date

Your occupation

Deceased

If the IRS sent you an Identity Protection PIN, enter it here (see instr.)

Spouse's signature If a joint return, both must sign

Date

Spouse's occupation

If the IRS sent your spouse an Identity Protection PIN, enter it here (see instr.)

Phone no.

Email address

Preparer's name

Preparer's signature

PTIN

P00194634

Check if:

X 3rd Party Designee

Paid Preparer Use Only

Firm's name Tatsuguchi CPA LLC
1314 S King St Ste 309

Date 10/22/20

Phone no 808-589-2100

Self-employed

Firm's address Honolulu HI 96814

Firm's EIN 20-1767081

Go to www.irs.gov/Form1040 for instructions and the latest information

Form 1040 (2019)

SCHEDULE 1
(Form 1040 or 1040-SR)**Additional Income and Adjustments to Income**

OMB No. 1545-0074

2019Attachment
Sequence No. **01**Department of the Treasury
Internal Revenue Service▶ **Attach to Form 1040 or 1040-SR.**▶ **Go to www.irs.gov/Form1040 for instructions and the latest information.**

Name(s) shown on Form 1040 or 1040-SR

Clifford Laughton

Your social security number

At any time during 2019, did you receive, sell, send, exchange, or otherwise acquire any financial interest in any virtual currency? ☐ Yes ☒ No**Part I Additional Income**

1	Taxable refunds, credits, or offsets of state and local income taxes	1	
2a	Alimony received	2a	
b	Date of original divorce or separation agreement (see instructions) ▶		
3	Business income or (loss). Attach Schedule C	3	0
4	Other gains or (losses). Attach Form 4797	4	
5	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	5	
6	Farm income or (loss). Attach Schedule F	6	-2,974
7	Unemployment compensation	7	
8	Other income. List type and amount ▶	8	
9	Combine lines 1 through 8. Enter here and on Form 1040 or 1040-SR, line 7a	9	-2,974

Part II Adjustments to Income

10	Educator expenses	10	
11	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106	11	
12	Health savings account deduction. Attach Form 8889	12	
13	Moving expenses for members of the Armed Forces. Attach Form 3903	13	
14	Deductible part of self-employment tax. Attach Schedule SE	14	
15	Self-employed SEP, SIMPLE, and qualified plans	15	
16	Self-employed health insurance deduction	16	
17	Penalty on early withdrawal of savings	17	
18a	Alimony paid	18a	
b	Recipient's SSN		
c	Date of original divorce or separation agreement (see instructions) ▶		
19	IRA deduction	19	
20	Student loan interest deduction	20	
21	Tuition and fees. Attach Form 8917	21	
22	Add lines 10 through 21. These are your adjustments to income . Enter here and on Form 1040 or 1040-SR, line 8a	22	

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule 1 (Form 1040 or 1040-SR) 2019

SCHEDULE A
(Form 1040 or 1040-SR)(Rev. January 2020)
Department of the Treasury
Internal Revenue Service**Itemized Deductions**▶ Go to www.irs.gov/ScheduleA for instructions and the latest information

▶ Attach to Form 1040 or 1040-SR.

OMB No. 1545-0074

2019Attachment
Sequence No**07**

Name(s) shown on Form 1040 or 1040-SR

Your social security number

Clifford Laughton**Medical
and
Dental
Expenses****Caution:** Do not include expenses reimbursed or paid by others.

- 1 Medical and dental expenses (see instructions)
- 2 Enter amount from Form 1040 or 1040-SR, line 8b **2**
- 3 Multiply line 2 by 7.5% (0.075)
- 4 Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-

1**3****4****Taxes You
Paid**

- 5 State and local taxes
- a State and local income taxes or general sales taxes. You may include either income taxes or general sales taxes on line 5a, but not both. If you elect to include general sales taxes instead of income taxes, check this box ▶
- b State and local real estate taxes (see instructions)
- c State and local personal property taxes
- d Add lines 5a through 5c
- e Enter the smaller of line 5d or \$10,000 (\$5,000 if married filing separately)
- 6 Other taxes. List type and amount ▶

5a**25,048****5b****7,823****5c****5d****32,871****5e****10,000****6**

7 Add lines 5e and 6

7**10,000****Interest You
Paid****Caution:** Your mortgage interest deduction may be limited (see instructions)

- 8 Home mortgage interest and points. If you didn't use all of your home mortgage loan(s) to buy, build, or improve your home, see instructions and check this box ▶ ☐
- a Home mortgage interest and points reported to you on Form 1098. See instructions if limited
- b Home mortgage interest not reported to you on Form 1098. See instructions if limited. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address
- c Points not reported to you on Form 1098. See instructions for special rules
- d Mortgage insurance premiums (see instructions)
- e Add lines 8a through 8d
- 9 Investment interest. Attach Form 4952 if required. See instructions

8a**40,045****8b****8c****8d****8e****40,045****9**

10 Add lines 8e and 9

10**40,045****Gifts to
Charity****Caution:** If you made a gift and got a benefit for it, see instructions

- 11 Gifts by cash or check. If you made any gift of \$250 or more, see instructions
- 12 Other than by cash or check. If you made any gift of \$250 or more, see instructions. You **must** attach Form 8283 if over \$500
- 13 Carryover from prior year
- 14 Add lines 11 through 13

11**12****139,790****13****14****139,790****Casualty and
Theft Losses**

- 15 Casualty and theft loss(es) from a federally declared disaster (other than net qualified disaster losses). Attach Form 4684 and enter the amount from line 18 of that form. See instructions

15**Other
Itemized
Deductions**

- 16 Other—from list in instructions. List type and amount ▶

16**Total
Itemized
Deductions**

- 17 Add the amounts in the far right column for lines 4 through 16. Also, enter this amount on Form 1040 or 1040-SR, line 9
- 18 If you elect to itemize deductions even though they are less than your standard deduction, check this box ▶ ☐

17**189,835**

SCHEDULE B
(Form 1040 or 1040-SR)**Interest and Ordinary Dividends**

OMB No. 1545-0074

2019Attachment
Sequence No. **08**Department of the Treasury
Internal Revenue Service (99)▶ Go to www.irs.gov/ScheduleB for instructions and the latest information.

▶ Attach to Form 1040 or 1040-SR.

Name(s) shown on return

Clifford Laughton

Your social security number

Part I
Interest(See instructions
and the
instructions for
Form 1040 and
1040-SR, line 2b.)**Note:** If you
received a Form
1099-INT, Form
1099-OID, or
substitute
statement from
a brokerage firm,
list the firm's
name as the
payer and enter
the total interest
shown on that
form.

- 1**
- List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address ▶

Charles Schwab & Co Inc
Charles Schwab Bank**Amount****2****3,218****1**

- 2**
- Add the amounts on line 1
-
- 3**
- Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815
-
- 4**
- Subtract line 3 from line 2. Enter the result here and on Form 1040 or 1040-SR, line 2b

2**3,220****3****4****3,220****Note:** If line 4 is over \$1,500, you must complete Part III**Amount****Part II**

- 5**
- List name of payer ▶

Ordinary Dividends(See instructions
and the
instructions for
Form 1040 and
1040-SR, line 3b.)**Note:** If you
received a Form
1099-DIV or
substitute
statement from
a brokerage firm,
list the firm's
name as the
payer and enter
the ordinary
dividends shown
on that form.

- 6**
- Add the amounts on line 5. Enter the total here and on Form 1040 or 1040-SR, line 3b

5**6****Note:** If line 6 is over \$1,500, you must complete Part III**Part III**

You must complete this part if you (a) had over \$1,500 of taxable interest or ordinary dividends; (b) had a foreign account; or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

Yes**No****Foreign Accounts and Trusts**

- 7a**
- At any time during 2019, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions

If "Yes," are you required to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR), to report that financial interest or signature authority? See FinCEN Form 114 and its instructions for filing requirements and exceptions to those requirements

- b**
- If you are required to file FinCEN Form 114, enter the name of the foreign country where the financial account is located ▶

- 8**
- During 2019, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See instructions

Caution: If
required, failure
to file FinCEN
Form 114 may
result in
substantial
penalties. See
instructions.**X****X**

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule B (Form 1040 or 1040-SR) 2019

SCHEDULE C
(Form 1040 or 1040-SR)**Profit or Loss From Business**

(Sole Proprietorship)

OMB No. 1545-0074

2019Attachment
09Department of the Treasury
Internal Revenue Service▶ Go to www.irs.gov/ScheduleC for instructions and the latest information.

▶ Attach to Form 1040, 1040-SR, 1040-NR, or 1041; partnerships generally must file Form 1065.

Name of proprietor

Clifford Laughton

Social security number (SSN)

A Principal business or profession, including product or service (see instructions)**Rental Real Estate****B** Enter code from instructions**531100****C** Business name. If no separate business name, leave blank.**Executive Centre Apartments LLC****D** Employer ID number (EIN) (see instr.)**35-2452476****E** Business address (including suite or room no.) ▶ **1088 Bishop St Ste 4100**

City, town or post office, state, and ZIP code

Honolulu**HI 96813****F** Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ▶**G** Did you "materially participate" in the operation of this business during 2019? If "No," see instructions for limit on losses☐ Yes ☒ No**H** If you started or acquired this business during 2019, check here**I** Did you make any payments in 2019 that would require you to file Form(s) 1099? (see instructions)☒ Yes ☐ No**J** If "Yes" did you or will you file required Forms 1099?☒ Yes ☐ No**Part I Income**

1 Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked	<input type="checkbox"/>	1	2,118,698
2 Returns and allowances		2	
3 Subtract line 2 from line 1		3	2,118,698
4 Cost of goods sold (from line 42)		4	
5 Gross profit. Subtract line 4 from line 3		5	2,118,698
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)		6	See Stmt 1 40,326
7 Gross income. Add lines 5 and 6		7	2,159,024

Part II Expenses. Enter expenses for business use of your home **only** on line 30.

8 Advertising	8	3,475	18 Office expense (see instructions)	18	2,786
9 Car and truck expenses (see instructions)	9		19 Pension and profit-sharing plans	19	
10 Commissions and fees	10		20 Rent or lease (see instructions):		
11 Contract labor (see instructions)	11		a Vehicles, machinery, and equipment	20a	
12 Depletion	12		b Other business property	20b	360,233
13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	291,555	21 Repairs and maintenance	21	91,767
14 Employee benefit programs (other than on line 19)	14		22 Supplies (not included in Part III)	22	13,001
15 Insurance (other than health)	15	10,461	23 Taxes and licenses	23	206,635
16 Interest (see instructions):			24 Travel and meals:		
a Mortgage (paid to banks, etc.)	16a		a Travel	24a	
b Other	16b	375,707	b Deductible meals (see instructions)	24b	
17 Legal and professional services	17	8,047	25 Utilities	25	5,110
28 Total expenses before expenses for business use of home. Add lines 8 through 27a			26 Wages (less employment credits)	26	
29 Tentative profit or (loss). Subtract line 28 from line 7			27a Other expenses (from line 48)	27a	814,236
30 Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions).			b Reserved for future use	27b	
Simplified method filers only: enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30			30		
31 Net profit or (loss). Subtract line 30 from line 29.			31		0
• If a profit, enter on both Schedule 1 (Form 1040 or 1040-SR), line 3 (or Form 1040-NR, line 13) and on Schedule SE, line 2 . (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3 .					
• If a loss, you must go to line 32.					
32 If you have a loss, check the box that describes your investment in this activity (see instructions).					
• If you checked 32a, enter the loss on both Schedule 1 (Form 1040 or 1040-SR), line 3 (or Form 1040-NR, line 13) and on Schedule SE, line 2 . (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3 .					
• If you checked 32b, you must attach Form 6198 . Your loss may be limited					

PAL

32a ☐ All investment is at risk.
32b ☐ Some investment is not at risk.

Clifford Laughton

Schedule C (Form 1040 or 1040-SR) 2019

Rental Real EstatePage **2****Part III Cost of Goods Sold** (see instructions)

33 Method(s) used to value closing inventory: **a** ☐ Cost **b** ☐ Lower of cost or market **c** ☐ Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory?
If "Yes," attach explanation

☐ Yes ☐ No

35 Inventory at beginning of year. If different from last year's closing inventory, attach explanation

35

36 Purchases less cost of items withdrawn for personal use

36

37 Cost of labor. Do not include any amounts paid to yourself

37

38 Materials and supplies

38

39 Other costs

39

40 Add lines 35 through 39

40

41 Inventory at end of year

41

42 **Cost of goods sold.** Subtract line 41 from line 40. Enter the result here and on line 4

42

Part IV Information on Your Vehicle. Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year) ►

44 Of the total number of miles you drove your vehicle during 2019, enter the number of miles you used your vehicle for:

a Business **b** Commuting (see instructions) **c** Other

45 Was your vehicle available for personal use during off-duty hours?

☐ Yes ☐ No

46 Do you (or your spouse) have another vehicle available for personal use?

☐ Yes ☐ No

47a Do you have evidence to support your deduction?

☐ Yes ☐ No

b If "Yes," is the evidence written?

☐ Yes ☐ No

Part V Other Expenses. List below business expenses not included on lines 8-26 or line 30.

Maintenance Fees

689,388

Outside Services

122,187

Telephone

2,407

Amortization

254

48 **Total other expenses.** Enter here and on line 27a

48

814,236

SCHEDULE F
(Form 1040 or 1040-SR)**Profit or Loss From Farming**

OMB No. 1545-0047

2019Attachment
Schedule F No **14**Department of the Treasury
Internal Revenue Service▶ Attach to Form 1040, Form 1040-SR, Form 1040-NR, Form 1041, or Form 1065.
▶ Go to www.irs.gov/ScheduleF for instructions and the latest information.

Name of proprietor

Social security number (SSN)

Clifford Laughton**A** Principal crop or activity
Wine Grapes**B** Enter code from Part IV
▶ **111900****C** Accounting method
☒ Cash ☐ Accrual**D** Employer ID number (EIN) (see instr.)
46-5732910**E** Did you "materially participate" in the operation of this business during 2019? If "No," see instructions for limit on passive losses☒ Yes ☐ No**F** Did you make any payments in 2019 that would require you to file Form(s) 1099? See instructions☐ Yes ☒ No**G** If "Yes," did you or will you file required Form(s) 1099?☐ Yes ☐ No**Part I Farm Income – Cash Method. Complete Parts I and II. (Accrual method. Complete Parts II and III, and Part I, line 9.)**

1a Sales of livestock and other resale items (see instructions)	1a		1c
b Cost or other basis of livestock or other items reported on line 1a	1b		
c Subtract line 1b from line 1a			1c
2 Sales of livestock, produce, grains, and other products you raised			2
3a Cooperative distributions (Form(s) 1099-PATR)	3a	3b Taxable amount	3b
4a Agricultural program payments (see instructions)	4a	4b Taxable amount	4b
5a Commodity Credit Corporation (CCC) loans reported under election			5a
b CCC loans forfeited	5b	5c Taxable amount	5c
6 Crop insurance proceeds and federal crop disaster payments (see instructions)			
a Amount received in 2019	6a	6b Taxable amount	6b
c If election to defer to 2020 is attached, check here <input type="checkbox"/>		6d Amount deferred from 2018	6d
7 Custom hire (machine work) income			7
8 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)			8
9 Gross income. Add amounts in the right column (lines 1c, 2, 3b, 4b, 5a, 5c, 6b, 6d, 7, and 8). If you use the accrual method, enter the amount from Part III, line 50. See instructions			9

Part II Farm Expenses – Cash and Accrual Method. Do not include personal or living expenses. See instructions.

10 Car and truck expenses (see instructions). Also attach Form 4562	10		23 Pension and profit-sharing plans	23
11 Chemicals	11		24 Rent or lease (see instructions):	
12 Conservation expenses (see instructions)	12		a Vehicles, machinery, equipment	24a
13 Custom hire (machine work)	13		b Other (land, animals, etc.)	24b
14 Depreciation and section 179 expense (see instructions)	14		25 Repairs and maintenance	25
15 Employee benefit programs other than on line 23	15		26 Seeds and plants	26
16 Feed	16		27 Storage and warehousing	27
17 Fertilizers and lime	17		28 Supplies	28
18 Freight and trucking	18		29 Taxes	29
19 Gasoline, fuel, and oil	19		30 Utilities	30
20 Insurance (other than health)	20	2,974	31 Veterinary, breeding, and medicine	31
21 Interest (see instructions):			32 Other expenses (specify):	
a Mortgage (paid to banks, etc.)	21a		a	32a
b Other	21b		b	32b
22 Labor hired (less employment credits)	22		c	32c
			d	32d
			e	32e
			f	32f
33 Total expenses. Add lines 10 through 32f. If line 32f is negative, see instructions				33
34 Net farm profit or (loss). Subtract line 33 from line 9				34
If a profit, stop here and see instructions for where to report. If a loss, complete lines 35 and 36.				
35 Reserved for future use.				
36 Check the box that describes your investment in this activity and see instructions for where to report your loss.				
<input checked="" type="checkbox"/> All investment is at risk.	b	<input type="checkbox"/> Some investment is not at risk.		

For Paperwork Reduction Act Notice, see the separate instructions.

Schedule F (Form 1040 or 1040-SR) 2019

Form **8995****Qualified Business Income Deduction
Simplified Computation**

OMB No. 1545-0123

2019Department of the Treasury
Internal Revenue Service

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form8995 for instructions and the latest information.Attachment
Sequence No. **55**

Name(s) shown on return

Clifford Laughton

Your taxpayer identification number

1	(a) Trade, business, or aggregation name	(b) Taxpayer identification number	(c) Qualified business income or (loss)
i	Greystone Vineyards LLC	46-5732910	-2,974
ii			
iii			
iv			
v			

2	Total qualified business income or (loss). Combine lines 1i through 1v, column (c)	-2,974	
3	Qualified business net (loss) carryforward from the prior year		
4	Total qualified business income. Combine lines 2 and 3. If zero or less, enter -0-	0	
5	Qualified business income component. Multiply line 4 by 20% (0.20)		5
6	Qualified REIT dividends and publicly traded partnership (PTP) income or (loss) (see instructions)		
7	Qualified REIT dividends and qualified PTP (loss) carryforward from the prior year		
8	Total qualified REIT dividends and PTP income. Combine lines 6 and 7. If zero or less, enter -0-	0	
9	REIT and PTP component. Multiply line 8 by 20% (0.20)		9
10	Qualified business income deduction before the income limitation. Add lines 5 and 9		10 0
11	Taxable income before qualified business income deduction	89,744	
12	Net capital gain (see instructions)		
13	Subtract line 12 from line 11. If zero or less, enter -0-	89,744	
14	Income limitation. Multiply line 13 by 20% (0.20)		14 17,949
15	Qualified business income deduction. Enter the lesser of line 10 or line 14. Also enter this amount on the applicable line of your return ▶		15 0
16	Total qualified business (loss) carryforward. Combine lines 2 and 3. If greater than zero, enter -0-		16 2,974
17	Total qualified REIT dividends and PTP (loss) carryforward. Combine lines 6 and 7. If greater than -0-, enter -0-		17

For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form **8995** (2019)

Form

8959**Additional Medicare Tax**

OMB No. 1545-0074

2019Attachment
Sequence No. **71**Department of the Treasury
Internal Revenue Service

▶ If any line does not apply to you, leave it blank. See separate instructions.

▶ Attach to Form 1040, 1040-SR, 1040-NR, 1040-PR, or 1040-SS.

▶ Go to www.irs.gov/Form8959 for instructions and the latest information.

Name(s) shown on return

Clifford Laughton

Your social security number

Part I Additional Medicare Tax on Medicare Wages

1	Medicare wages and tips from Form W-2, box 5. If you have more than one Form W-2, enter the total of the amounts from box 5	1	249,500	
2	Unreported tips from Form 4137, line 6	2		
3	Wages from Form 8919, line 6	3		
4	Add lines 1 through 3	4	249,500	
5	Enter the following amount for your filing status: Married filing jointly \$250,000 Married filing separately \$125,000 Single, Head of household, or Qualifying widow(er) \$200,000	5	200,000	
6	Subtract line 5 from line 4. If zero or less, enter -0-	6		49,500
7	Additional Medicare Tax on Medicare wages. Multiply line 6 by 0.9% (0.009). Enter here and go to Part II	7		446

Part II Additional Medicare Tax on Self-Employment Income

8	Self-employment income from Schedule SE (Form 1040 or 1040-SR), Section A, line 4, or Section B, line 6. If you had a loss, enter -0- (Form 1040-PR or 1040-SS filers, see instructions.)	8		
9	Enter the following amount for your filing status: Married filing jointly \$250,000 Married filing separately \$125,000 Single, Head of household, or Qualifying widow(er) \$200,000	9	200,000	
10	Enter the amount from line 4	10	249,500	
11	Subtract line 10 from line 9. If zero or less, enter -0-	11	0	
12	Subtract line 11 from line 8. If zero or less, enter -0-	12		0
13	Additional Medicare Tax on self-employment income. Multiply line 12 by 0.9% (0.009). Enter here and go to Part III	13		

Part III Additional Medicare Tax on Railroad Retirement Tax Act (RRTA) Compensation

14	Railroad retirement (RRTA) compensation and tips from Form(s) W-2, box 14 (see instructions)	14		
15	Enter the following amount for your filing status: Married filing jointly \$250,000 Married filing separately \$125,000 Single, Head of household, or Qualifying widow(er) \$200,000	15	200,000	
16	Subtract line 15 from line 14. If zero or less, enter -0-	16		0
17	Additional Medicare Tax on railroad retirement (RRTA) compensation. Multiply line 16 by 0.9% (0.009). Enter here and go to Part IV	17		

Part IV Total Additional Medicare Tax

18	Add lines 7, 13, and 17. Also include this amount on Schedule 2 (Form 1040 or 1040-SR), line 8 (check box a) (Form 1040-NR, 1040-PR, or 1040-SS filers, see instructions), and go to Part V	18		446
----	---	----	--	-----

Part V Withholding Reconciliation

19	Medicare tax withheld from Form W-2, box 6. If you have more than one Form W-2, enter the total of the amounts from box 6	19	4,064	
20	Enter the amount from line 1	20	249,500	
21	Multiply line 20 by 1.45% (0.0145). This is your regular Medicare tax withholding on Medicare wages	21	3,618	
22	Subtract line 21 from line 19. If zero or less, enter -0-. This is your Additional Medicare Tax withholding on Medicare wages	22		446
23	Additional Medicare Tax withholding on railroad retirement (RRTA) compensation from Form W-2, box 14 (see instructions)	23		
24	Total Additional Medicare Tax withholding. Add lines 22 and 23. Also include this amount with federal income tax withholding on Form 1040 or 1040-SR, line 17 (Form 1040-NR, 1040-PR, or 1040-SS filers, see instructions)	24		446

For Paperwork Reduction Act Notice, see your tax return instructions

Form **8959** (2019)

Form

8960**Net Investment Income Tax—
Individuals, Estates, and Trusts**

▶ Attach to your tax return.

OMB No. 1545-2227

2019Attachment
Sequence No. **72**Department of the Treasury
Internal Revenue Service (99)▶ Go to www.irs.gov/Form8960 for instructions and the latest information.

Name(s) shown on your tax return

Clifford Laughton

Your social security number or EIN

Part I Investment Income

Section 6013(g) election (see instructions)

Section 6013(h) election (see instructions)

~~Regulations section 1.1411-10(g) election (see instructions)~~

1	Taxable interest (see instructions)		1	3,220
2	Ordinary dividends (see instructions)		2	
3	Annuities (see instructions)		3	
4a	Rental real estate, royalties, partnerships, S corporations, trusts, etc. (see instructions)	4a		
b	Adjustment for net income or loss derived in the ordinary course of a non-section 1411 trade or business (see instructions)	4b		
c	Combine lines 4a and 4b		4c	
5a	Net gain or loss from disposition of property (see instructions)	5a		
b	Net gain or loss from disposition of property that is not subject to net investment income tax (see instructions)	5b		
c	Adjustment from disposition of partnership interest or S corporation stock (see instructions)	5c		
d	Combine lines 5a through 5c		5d	
6	Adjustments to investment income for certain CFCs and PFICs (see instructions)		6	
7	Other modifications to investment income (see instructions)		7	-23,989
8	Total investment income. Combine lines 1, 2, 3, 4c, 5d, 6, and 7		8	-20,769

Part II Investment Expenses Allocable to Investment Income and Modifications

9a	Investment interest expenses (see instructions)	9a		
b	State, local, and foreign income tax (see instructions)	9b		
c	Miscellaneous investment expenses (see instructions)	9c		
d	Add lines 9a, 9b, and 9c		9d	
10	Additional modifications (see instructions)		10	
11	Total deductions and modifications. Add lines 9d and 10		11	

Part III Tax Computation

12	Net investment income. Subtract Part II, line 11, from Part I, line 8. Individuals, complete lines 13-17. Estates and trusts, complete lines 18a-21. If zero or less, enter -0-	12	0
Individuals:			
13	Modified adjusted gross income (see instructions)	13	279,579
14	Threshold based on filing status (see instructions)	14	200,000
15	Subtract line 14 from line 13. If zero or less, enter -0-	15	79,579
16	Enter the smaller of line 12 or line 15	16	
17	Net investment income tax for individuals. Multiply line 16 by 3.8% (0.038). Enter here and include on your tax return (see instructions)	17	
Estates and Trusts:			
18a	Net investment income (line 12 above)	18a	
b	Deductions for distributions of net investment income and deductions under section 642(c) (see instructions)	18b	
c	Undistributed net investment income. Subtract line 18b from 18a (see instructions). If zero or less, enter -0-	18c	
19a	Adjusted gross income (see instructions)	19a	
b	Highest tax bracket for estates and trusts for the year (see instructions)	19b	
c	Subtract line 19b from line 19a. If zero or less, enter -0-	19c	
20	Enter the smaller of line 18c or line 19c	20	
21	Net investment income tax for estates and trusts. Multiply line 20 by 3.8% (0.038). Enter here and include on your tax return (see instructions)	21	

For Paperwork Reduction Act Notice, see your tax return instructions.

Form **8960** (2019)

Form **1310**(Rev. August 2019)
Department of the Treasury
Internal Revenue Service**Statement of Person Claiming
Refund Due a Deceased Taxpayer**► Go to www.irs.gov/Form1310 for the latest information.

► See instructions below and on back.

OMB No. 1545-0074

Attachment
Sequence No. **87**

Tax year decedent was due a refund:

Calendar year **2019**, or other tax year beginning **20** and ending **20**

Please print or type	Name of decedent. If filing a joint return and both taxpayers are deceased, complete Form 1310 for each. See instructions.		Date of death	Decedent's social security number
	Clifford Loughton		07/13/20	[REDACTED]
	Name of person claiming refund			Your social security number
	Richard P Schulze			
Home address (number and street). If you have a P.O. box, see instructions.				Apt. no.
140 W Huffaker Ln				510
City, town or post office, state, and ZIP code. If you have a foreign address, see instructions.				
Reno NV 89511				

Part I Check the box that applies to you. Check only one box. Be sure to complete Part III below.

- A** ☐ Surviving spouse requesting reissuance of a refund check (see instructions).
- B** ☒ Court-appointed or certified personal representative (defined below). Attach a court certificate showing your appointment, unless previously filed (see instructions).
- C** ☐ Person, other than A or B, claiming refund for the decedent's estate (see instructions). Also, complete Part II.

Part II Complete this part only if you checked the box on line C above.

- 1** Did the decedent leave a will?
- 2a** Has a court appointed a personal representative for the estate of the decedent?
- b** If you answered "No" to 2a, will one be appointed?
- If you answered "Yes" to 2a or 2b, the personal representative must file for the refund.
- 3** As the person claiming the refund for the decedent's estate, will you pay out the refund according to the laws of the state where the decedent was a legal resident?
- If you answered "No" to 3, a refund cannot be made until you submit a court certificate showing your appointment as personal representative or other evidence that you are entitled under state law to receive the refund.

Yes	No

Part III Signature and verification. All filers must complete this part.

I request a refund of taxes overpaid by or on behalf of the decedent. Under penalties of perjury, I declare that I have examined this claim, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of person claiming refund ►

Date ►

Phone no. (optional) **775-853-5700**

CERTIFICATE OF DEATHSTATE OF HAWAII
DEPARTMENT OF HEALTHCERTIFICATE NO. **151 2020 - 006385**Name of Decedent

CLIFFORD LAUGHTON

City, Town, or Location of Death

Honolulu

County of Death

HONOLULU

Island of Death

OAHU

Actual or Presumed Date of Death

July 13, 2020

Actual or Presumed Time of Death

10:30 PM

Date of Birth

November 26, 1943

Sex

MALE

Race

Caucasian

Citizenship

UNITED STATES

Age at Death

76 YEAR(s)

Ever in Armed Forces?

YES

Social Security NumberMarital Status

DIVORCED

Father's Name

Harold Lang

Mother's Name (Prior to Ewa/Mānoa)

Anna Adams

Disposition

REMOVAL

Cemetery/Crematory: Montclair-Lucania Funeral Home

Date: August 21, 2020

Location: Chicago, IL 60634

Permit #: 236477

Funeral Home: NUUANU MEMORIAL PARK & MORTUARY LLC

Certifier: Baron Wong PRIVATE PHYSICIAN

Date Certified: July 14, 2020

Original Date Certified: July 14, 2020

Cause of Death:

- a. RESPIRATORY FAILURE
- b. PNEUMONIA
- c. DYSPHAGIA

Manner of Death: NATURAL CAUSES

Date Filed by State Registrar: August 12, 2020

OHSM 1 2 (Rev 1/2013)

This copy serves as prima facie evidence of the fact of death in any court proceeding. [HRS 338-13(b), 338-19]

1270578

ANY ALTERATIONS INVALIDATE THIS CERTIFICATE

Document Code 1670
Richard P. Schulze, Esq. #5767
Schulze Law Group, PC
140 W Huffaker Ln., Ste 510
Reno, NV 89511
Telephone: (775) 853-5700
Facsimile: (775) 853-5588
Attorney for SPECIAL ADMINISTRATOR

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR THE COUNTY OF WASHOE, STATE OF NEVADA

* * * * *

IN THE MATTER OF THE ESTATE)	
)	
OF)	Case No.
)	
CLIFFORD LAUGHTON,)	Dept No. PR
)	
Deceased.)	

EX PARTE MOTION FOR APPOINTMENT OF SPECIAL ADMINISTRATOR

Comes now, RICHARD P. SCHULZE to request this court to appoint him Special Administrator of the Estate of Clifford Laughton and in support thereof offers the following:

Qualifications

1. Petitioner, whose mailing address is 140 W Huffaker Ln., Ste 510, Reno, Nevada, is the named Personal Representative under the will of Clifford Laughton, has not been convicted of a felony and is otherwise qualified to act as Special Administrator pursuant to Section 138.010 of the Nevada Revised Statutes and as Administrator pursuant to NRS 139.010. Petitioner's physical address is 1764 Bliss Court, Carson City, Nevada.

Jurisdiction

2. CLIFFORD LAUGHTON, whose address is 18124 Wedge Pkwy, Reno, NV 89511, died on or about the 13th day of July 2020, in Honolulu, Hawaii and at the time of his death was a resident of the County of Washoe, State of Nevada, and a citizen of the United States of America. Attached hereto as **Exhibit 1** is a statement from Dr. Eugene M.C. Lee and a ~~Renown~~ Certificate of Patient Expiration Data stating the date of Mr. Laughton's death as well as the cause of death. Because of the Corona Virus pandemic, it will take 4 to 8 weeks to obtain a death certificate.

Will and Living Trust

3. Attached hereto as **Exhibit 2** (having been formally lodged with this court previously) is a true and correct copy of the Last Will and Testament of Clifford Laughton.

4. On or about February 13, 2013, Clifford Laughton executed an amendment to and complete restatement of the Laughton Living Trust dated January 10, 2012 (the "trust"). The trust is the sole beneficiary of decedent's estate and is being administered in accordance with its terms and the applicable provisions of Nevada law

Request for Appointment as Special Administrator and Scope of Powers

5. The appointment of a Special Administrator is required in this case to ensure that the decedent's personal property (including any financial accounts held in the decedent's name) may be protected and inventoried, gain access the decedent's checking and savings accounts to pay any outstanding bills (including house payments and property taxes for the month of July), the extent there are sufficient liquid assets

6. Petitioner will report to this court via an inventory all of the decedent's assets collected and discovered by the Special Administrator and, if required, file herein a petition for probate of the decedent's last will and testament.

1 7. In addition to the powers granted under NRS 140.040, Petitioner requests that the
2 Special Administrator be granted the authority to dispose of the decedent's remains in
3 accordance with the oral and written instructions provided by the decedent. The Special
4 Administrator also requests authority to utilize the liquid assets of the decedent to pay for the
5 disposition of the decedent's remains. The decedent prepaid for his funeral in his hometown of
6 Chicago, Illinois but failed to pay for transportation of his remains from his place of death to his
7 chosen cemetery and funeral home. If petitioner is appointed as Special Administrator and if
8 there are sufficient funds available from the decedent's accounts, petitioner intends to follow the
9 directions contained in Exhibit 2. Petitioner also asks for authority to pay any of the decedent's
10 bills which may be immediately due, including but not limited to, payment of taxes, insurance
11 and other costs related to the maintenance of the decedent's real property in the State of Hawaii.
12

13
14 7. This is an appropriate case for the appointment of a Special Administrator under
15 NRS 140.010. Failure to appoint the Special Administrators with the powers requested
16 hereunder will result in a significant loss to the estate due to the actual and threatened loss of the
17 decedent's personal property. Furthermore, there is a need to inventory the decedent's financial
18 accounts to determine actual title and beneficiary designation (if any) on such accounts and,
19 consequently, if a probate shall be required.
20

21 Heirs, Next-of-Kin, Devisees and Legatees

22 8. The decedent, Clifford Laughton, has three living children. He knowingly and
23 intentionally disinherited his children as heirs under his will and living trust.

24 9. The names and addresses of the decedent's known heirs, devisees and legatees
25 are:
26

27 Jeffrey Michael Lang
28 1052 Evergreen Street
 Mundelein, IL 60060

1 Scott Allen Lang
2 6W. Fabish Drive
3 Buffalo Grove, IL 60089

4 Mitchell August Lang
5 1814 Stoddard Avenue
6 Wheaton, IL 60187

7 Laughton Living Trust, dated February 13, 2020
8 Richard P. Schulze, Esq. – Trustee
9 Anne Rafeal-Straka - Trustee
10 Richard Caifano, Esq. - Trustee
11 140 West Huffaker Lane, Suite 510
12 Reno, NV 89511

13 Request for Waiver of Bond

14 9. Petitioner requests that he serve without bond. Section 5.02 of the decedent's last
15 will and testament provides that petitioner shall serve as personal representative of the estate
16 without being required to provide a bond.

17 Notice / Request for Ex Parte Entry of Order

18 10. Pursuant to NRS 140.020 Petitioner requests this court to enter its order
19 appointing him as Special Administrator on an Ex Parte basis without requirement of prior notice
20 to any person or entity.

21 11. Requiring Petitioner to provide notice and / or requiring a hearing on this matter
22 will result in substantial and irreparable loss to the estate due to the loss of the decedent's
23 personal property, determine the need to probate any assets held in the decedent's sole name and
24 unnecessarily delay arranging for disposition of the decedent's remains.

25 //

26
27 //
28

1 WHEREFORE, your Petitioner prays that this court enter an Ex Parte Order appointing him as
2 Special Administrator of the Estate of Clifford Laughton with the powers granted under NRS
3 140.040, authority to access the decedent's accounts and other assets to determine the value of
4 such accounts and assets, the formal title in which the accounts and assets are held and to
5 determine the value of the accounts and assets; and authority to access the decedent's checking
6 and savings accounts to pay any outstanding bills to the extent there are sufficient liquid assets
7 and the power and authority to arrange for the disposition of the decedent's remains.
8

9
10 **THE UNDERSIGNED AFFIRMS THAT THIS DOCUMENT DOES NOT CONTAIN**
11 **THE SOCIAL SECURITY NUMBER OF ANY PERSON.**
12

13 

14 Richard P. Schulze, Petitioner
15

16 /s/RICHARD P. SCHULZE
17 RICHARD P. SCHULZE, ESQ
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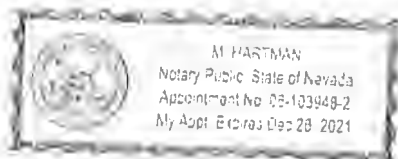


EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>	<u>No. of Pages</u>
--------------------	--------------------	---------------------

1	Statement of Death	5
---	--------------------	---

2	Last Will & Testament	8
---	-----------------------	---

Form

8582**Passive Activity Loss Limitations**

▶ See separate instructions.

▶ Attach to Form 1040, Form 1040-SR, or Form 1041

▶ Go to www.irs.gov/Form8582 for instructions and the latest information.

OMB No. 1545-1008

2019Attachment
Sequence No **88**Department of the Treasury
Internal Revenue Service (991)

Name(s) shown on return

Identifying number

Clifford Laughton**Part I 2019 Passive Activity Loss****Caution:** Complete Worksheets 1, 2, and 3 before completing Part I.**Rental Real Estate Activities With Active Participation** (For the definition of active participation, see**Special Allowance for Rental Real Estate Activities** in the instructions.)

- 1a Activities with net income (enter the amount from Worksheet 1, column (a))
- 1b Activities with net loss (enter the amount from Worksheet 1, column (b))
- 1c Prior years' unallowed losses (enter the amount from Worksheet 1, column (c))
- 1d Combine lines 1a, 1b, and 1c

1a		1d
1b		
1c		

Commercial Revitalization Deductions From Rental Real Estate Activities

- 2a Commercial revitalization deductions from Worksheet 2, column (a)
- 2b Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)
- 2c Combine lines 2a and 2b

2a		2c
2b		

All Other Passive Activities

- 3a Activities with net income (enter the amount from Worksheet 3, column (a))
- 3b Activities with net loss (enter the amount from Worksheet 3, column (b))
- 3c Prior years' unallowed losses (enter the amount from Worksheet 3, column (c))
- 3d Combine lines 3a, 3b, and 3c

3a		3d
3b	23,989	
3c		

- 4 Combine lines 1d, 2c, and 3d. If this line is zero or more, stop here and include this form with your return; all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Report the losses on the forms and schedules normally used

4	-23,989
---	---------

- If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
 - Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
 - Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, **do not** complete Part II or Part III. **Instead, go to line 15.**

Part II Special Allowance for Rental Real Estate Activities With Active Participation**Note:** Enter all numbers in Part II as **positive** amounts. See instructions for an example.

- 5 Enter the **smaller** of the loss on line 1d or the loss on line 4
- 6 Enter \$150,000. If married filing separately, see instructions
- 7 Enter modified adjusted gross income, but not less than zero. See instructions

5		7
6		
8		

- Note:** If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8.
- 8 Subtract line 7 from line 6
- 9 Multiply line 8 by 50% (0.50). **Do not** enter more than \$25,000. If married filing separately, see instructions
- 10 Enter the **smaller** of line 5 or line 9

9		10
10	0	

If line 2c is a loss, go to Part III. Otherwise, go to line 15.

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities**Note:** Enter all numbers in Part III as **positive** amounts. See the **example** for Part II in the instructions.

- 11 Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions
- 12 Enter the loss from line 4
- 13 Reduce line 12 by the amount on line 10
- 14 Enter the **smallest** of line 2c (treated as a positive amount), line 11, or line 13

11	
12	
13	
14	

Part IV Total Losses Allowed

- 15 Add the income, if any, on lines 1a and 3a and enter the total
- 16 **Total losses allowed from all passive activities for 2019.** Add lines 10, 14, and 15. See instructions to find out how to report the losses on your tax return

15	
16	0

For Paperwork Reduction Act Notice, see instructions.Form **8582** (2019)

Clifford Laughton

Form 8582 (2019)

Page 2

Caution: The worksheets must be filed with your tax return. Keep a copy for your records.**Worksheet 1—For Form 8582, Lines 1a, 1b, and 1c (see instructions)**

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 1a)	(b) Net loss (line 1b)	(c) Unallowed loss (line 1c)	(d) Gain	(e) Loss
Total. Enter on Form 8582, lines 1a, 1b, and 1c					

Worksheet 2—For Form 8582, Lines 2a and 2b (see instructions)

Name of activity	(a) Current year deductions (line 2a)	(b) Prior year unallowed deductions (line 2b)	(c) Overall loss
Total. Enter on Form 8582, lines 2a and 2b			

Worksheet 3—For Form 8582, Lines 3a, 3b, and 3c (see instructions)

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 3a)	(b) Net loss (line 3b)	(c) Unallowed loss (line 3c)	(d) Gain	(e) Loss
Rental Real Estate		23,989			23,989
Total. Enter on Form 8582, lines 3a, 3b, and 3c		23,989			

Worksheet 4—Use This Worksheet if an Amount Is Shown on Form 8582, Line 10 or 14. See instructions.

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Special allowance	(d) Subtract column (c) from column (a)
Total			1.00		

Worksheet 5—Allocation of Unallowed Losses (see instructions)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Unallowed loss
Rental Real Estate	Sch C	23,989	1.0000	23,989
Total		23,989	1.00	23,989

Clifford Laughton

Form 8582 (2019)

Page 3

Worksheet 6—Allowed Losses (see instructions)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Unallowed loss	(c) Allowed loss
Rental Real Estate	Sch C	23,989	23,989	
Total		23,989	23,989	

Worksheet 7 — Activities With Losses Reported on Two or More Forms or Schedules (see instructions)

Name of activity:	(a)	(b)	(c) Ratio	(d) Unallowed loss	(e) Allowed loss
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Total ▶			1.00		

Form **8582** (2019)

Form **8283**

(Rev. November 2019)

Department of the Treasury
Internal Revenue Service**Noncash Charitable Contributions**

- **Attach one or more Forms 8283 to your tax return if you claimed a total deduction of over \$500 for all contributed property.**

OMB No. 1545-0908

- **Go to www.irs.gov/Form8283 for instructions and the latest information.**

Attachment
Sequence No **155**

Name(s) shown on your income tax return

Clifford Laughton

Identifying number

Note: Figure the amount of your contribution deduction before completing this form. See your tax return instructions.

Section A. Donated Property of \$5,000 or Less and Publicly Traded Securities—List in this section **only** an item (or groups of similar items) for which you claimed a deduction of \$5,000 or less. Also list publicly traded securities and certain other property even if the deduction is more than \$5,000 (see instructions).

Part I Information on Donated Property—If you need more space, attach a statement.

	(a) Name and address of the donee organization	(b) If donated property is a vehicle (see instructions), check the box. Also enter the vehicle identification number (unless Form 1098-C is attached)	(c) Description and condition of donated property (For a vehicle, enter the year, make, model, and mileage. For securities and other
1			
A		<input type="checkbox"/>	
B		<input type="checkbox"/>	
C		<input type="checkbox"/>	
D		<input type="checkbox"/>	
E		<input type="checkbox"/>	

Note: If the amount you claimed as a deduction for an item is \$500 or less, you do not have to complete columns (a), (f), and (g).

	(d) Date of the contribution	(e) Date acquired by donor (mo., yr.)	(f) How acquired by donor	(g) Donor's cost or adjusted basis	(h) Fair market value (see instructions)	(i) Method of determining the fair market value
A						
B						
C						
D						
E						

Part II Partial Interests and Restricted Use Property—Complete lines 2a through 2e if you gave less than an entire interest in a property listed in Part I. Complete lines 3a through 3c if conditions were placed on a contribution listed in Part I; also attach the required statement (see instructions).

- 2a** Enter the letter from Part I that identifies the property for which you gave less than an entire interest. If Part II applies to more than one property, attach a separate statement. ►
- b** Total amount claimed as a deduction for the property listed in Part I: (1) For this tax year ► (2) For any prior tax years ►
- c** Name and address of each organization to which any such contribution was made in a prior year (complete only if different from the donee organization above):
- Name of charitable organization (donee) _____
- Address (number, street, and room or suite no.) _____
- City or town, state, and ZIP code _____
- d** For tangible property, enter the place where the property is located or kept ►
- e** Name of any person, other than the donee organization, having actual possession of the property ►

- 3a** Is there a restriction, either temporary or permanent, on the donee's right to use or dispose of the donated property? _____
- b** Did you give to anyone (other than the donee organization or another organization participating with the donee organization in cooperative fundraising) the right to the income from the donated property or to the possession of the property, including the right to vote donated securities, to acquire the property by purchase or otherwise, or to designate the person having such income, possession, or right to acquire? _____
- c** Is there a restriction limiting the donated property for a particular use? _____

Yes	No

For Paperwork Reduction Act Notice, see separate instructions.

DAA

Form **8283** (Rev. 11-2019)

Name(s) shown on your income tax return

Clifford Laughton

Identifying number

Section B. Donated Property Over \$5,000 (Except Publicly Traded Securities, Vehicles, Intellectual Property or Inventory Reportable in Section A)—Complete this section for one item (or a group of similar items) for which you claimed a deduction of more than \$5,000 per item or group (except contributions reportable in Section A). Provide a separate form for each item donated unless it is part of a group of similar items. A qualified appraisal is generally required for items reportable in Section B. See instructions.**Part I Information on Donated Property**

4 Check the box that describes the type of property donated.

- a Art * (contribution of \$20,000 or more) d Art * (contribution of less than \$20,000) g Collectibles** j ☒ Other
- b Qualified Conservation Contribution e Other Real Estate h Intellectual Property
- c Equipment f Securities i Vehicles

*Art includes paintings, sculptures, watercolors, prints, drawings, ceramics, antiques, decorative arts, textiles, carpets, silver, rare manuscripts, historical memorabilia, and other similar objects.

**Collectibles include coins, stamps, books, gems, jewelry, sports memorabilia, dolls, etc., but not art as defined above.

Note: In certain cases, you must attach a qualified appraisal of the property. See instructions.

5	(a) Description of donated property (if you need more space, attach a separate statement)	(b) If any tangible personal property or real property was donated, give a brief summary of overall physical condition of the property at the time of the gift	(c) Appraised fair market value
A	1976 Hatteras 46' Motoryacht	Excellent	350,000
B			
C			
D			

	(d) Date acquired by donor (mo., yr.)	(e) How acquired by donor	(f) Donor's cost or adjusted basis	(g) For bargain sales, enter amount received	(h) Amount claimed as a deduction	(i) Date of contribution
A	12/03/03	Purchase	323,000			10/24/19
B						
C						
D						

Part II Taxpayer (Donor) Statement—List each item included in Part I above that the appraisal identifies as having a value of \$500 or less. See instructions.

I declare that the following item(s) included in Part I above has to the best of my knowledge and belief an appraised value of not more than \$500 (per item). Enter identifying letter from Part I and describe the specific item. See instructions. ►

Signature of taxpayer (donor) ►

Date ►

Part III Declaration of Appraiser

I declare that I am not the donor, the donee, a party to the transaction in which the donor acquired the property, an employee or related to any of the foregoing persons, or married to any person who is related to any of the foregoing persons. And, if regularly used by the donor, donee, or party to the transaction, I am not the major appraiser of my appraisals during my tax year.

Also, I declare that I perform appraisals on a regular basis; and that because of my qualifications as described in the appraisal, I am qualified to make appraisals of the type of property being valued. I certify that the appraisal fees were not based on a percentage of the appraised property value. Furthermore, I understand that a false or fraudulent overstatement of the property value as described in the qualified appraisal or this Form 8283 may subject me to the penalty under section 6701(a) (aiding and abetting the understatement of tax liability). I understand that my appraisal will be used in connection with a return or claim for refund. I also understand that there is a substantial or non-negligible risk of loss of the property claimed on the return for refund that is based on my appraisal. I may be subject to the penalty under section 6695A of the Internal Revenue Code, as well as applicable criminal penalties. I declare that I have not given at any time in the three-year period ending on the date of this appraisal any information or testimony before the Department of the Treasury or the Internal Revenue Service pursuant to 31 U.S.C. 330(c).

Sign Here

Signature ►

Title ►

Date ►

Business address (including room or suite no.)

Identifying number

City or town, state, and ZIP code

Part IV Donee Acknowledgment—To be completed by the charitable organization.

This charitable organization acknowledges that it is a qualified organization under section 170(c) and that it received the donated property as described in Section B, Part I, above on the following date ►

Furthermore, this organization affirms that if the donor sells, exchanges, or otherwise disposes of the property described in Section B, Part I (or any portion thereof) within 3 years after the date of receipt, it will file Form 8342, Donee Information Return, with the IRS and give the donor a copy of that form. This acknowledgment does not represent agreement with the claimed fair market value.

Does the organization intend to use the property for an unrelated use? ►

Name of charitable organization (donee)

Employer identification number

Address (number, street, and room or suite no.)

City or town, state, and ZIP code

Authorized signature

Title

Date

Form **8948**
(Rev. September 2018)
Department of the Treasury
Internal Revenue Service

Preparer Explanation for Not Filing Electronically

OMB No. 1545-2200

► Go to www.irs.gov/Form8948 for instructions and the latest information.

Attachment
Sequence No. **173**

Name(s) on tax return

Clifford Laughton

Tax year of return

2019

Taxpayer's identifying number

Preparer's name

Reid Tatsuguchi

Preparer Tax Identification Number (PTIN)

P00194634

Three out of four taxpayers now use IRS e-file. Go to www.irs.gov/efile for details on using IRS e-file. The benefits of electronic filing include the following:

- Faster refunds
- Secure transmissions
- E-payment options
- More accurate returns
- Easier filing method
- Receipt acknowledgment

Check the applicable box to indicate the reason this return is not being filed electronically. Do not check more than one box.

1 ☒ Taxpayer chose to file this return on paper.

2 ☐ The preparer received a waiver from the requirement to electronically file the tax return.

Waiver Reference Number _____ Approval Letter Date _____

3 ☐ The preparer is a member of a recognized religious group that is conscientiously opposed to filing electronically

4 ☐ This return was rejected by IRS e-file and the reject condition could not be resolved.

Reject code: _____ Number of attempts to resolve reject: _____

5 ☐ The preparer's e-file software package does not support Form _____ or Schedule _____ attached to this return.

6 Check the box that applies and provide additional information if requested

a ☐ The preparer is ineligible to file electronically because IRS e-file does not accept foreign preparers without social security numbers who live and work abroad.

b ☐ The preparer is ineligible to participate in IRS e-file.

c ☐ Other: Describe below the circumstances that prevented the preparer from filing this return electronically

For Paperwork Reduction Act Notice, see instructions.

Form **8948** (Rev 9-2018)

Form **4562****Depreciation and Amortization**
(Including Information on Listed Property)

OMB No. 1545-0172

2019

Department of the Treasury

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form4562 for instructions and the latest informationNo. **179**

Name(s) shown on return

Clifford Jaughton

Identifying number

Business or activity to which this form relates

Rental Real Estate**Part I Election To Expense Certain Property Under Section 179****Note:** If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	1,020,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,550,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Limitation for tax. Subtract line 4 from line 1. If zero or less, enter -0-	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2018 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2020. Add lines 4 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V**Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)**

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

Part III MACRS Depreciation (Don't include listed property. See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2019	17	273,455
18	If you have multiple assets, check in the box that best describes the tax treatment of the assets. See instructions.		

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

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a <input type="checkbox"/> Commercial property						
b <input type="checkbox"/> Storage property						
c <input type="checkbox"/> 7-year property						
d <input type="checkbox"/> 10-year property						
e <input type="checkbox"/> 15-year property						
f <input type="checkbox"/> 20-year property						
g <input type="checkbox"/> 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

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

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

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	18,100
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions.	22	291,555
23	For assets shown above and placed in service during the current year, enter the amount of depreciation to section 179	23	

For Paperwork Reduction Act Notice, see separate instructions

DAA

Form **4562** (2019)

Clifford Laughton

Form 4562 (2019)

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, and property used for entertainment, recreation, or amusement.)**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.**Section A—Depreciation and Other Information** (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed?				<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		24b If "Yes" is the evidence written?				<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost			
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use. See instructions								25	18,100		
26 Property used more than 50% in a qualified business use											
Nissan Cargo Van	12/05/19	100.00%	23,134	5,034	5.0	200DBMC					
		%									
27 Property used 50% or less in a qualified business use:											
		%				S/L-					
		%				S/L-					
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1								28	18,100		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1								29			

Section B—Information on Use of Vehicles

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

	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
30 Total business/investment miles driven during the year (don't include commuting miles)	500					
31 Total commuting miles driven during the year						
32 Total other personal (noncommuting) miles driven						
33 Total miles driven during the year. Add lines 30 through 32	500					
34 Was the vehicle available for personal use during off-duty hours?	Yes No	Yes No	Yes No	Yes No	Yes No	Yes No
	X					
35 Was the vehicle used primarily by a more than 5% owner or related person?	Yes No	Yes No	Yes No	Yes No	Yes No	Yes No
	X					
36 Is another vehicle available for personal use?	Yes No	Yes No	Yes No	Yes No	Yes No	Yes No
	X					

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

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

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? See instructions		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that began during your 2019 tax year (see instructions)					
43 Amortization of costs that began before your 2019 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report					44
					254
					254

Form **1040/SR****Form 1040 or 1040-SR Reconciliation Worksheet****2019**
Filing Status: ☒ 1 Single ☐ 2 Married filing jointly ☐ 3 Married filing separately ☐ 4 Head of household* ☐ 5 Qualifying widow(er)*

MFS, reuse name

*Qualifying person that is a child but not a dependent:

Taxpayer first name and initial Clifford	Last name Laughton	Deceased 07/13/20	Taxpayer social security number [REDACTED]
--	------------------------------	------------------------------------	---

If a joint return, spouse's first name and initial	Last name	Spouse's social security number
--	-----------	---------------------------------

Home address (number and street). If you have a P O box, see instructions

140 W Huffaker Ln

Apt. no

510

Presidential Election Campaign

Taxpayer ☐Spouse ☐

City, town or post office, state, and ZIP code.

Reno**NV 89511**

Foreign country name

Foreign province/state/county

Foreign postal code

6a ☒ **Taxpayer.** If someone can claim you as a dependent, do not check box 6a**b** ☐ **Spouse**

Boxes checked on 6a and 6b

1

Children on 6c who lived with you

Children on 6c who did not live with you

Dependents on 6c not entered above

Total. Add lines above

1**6c Dependents:**

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) <input checked="" type="checkbox"/> if qualifies for		Child tax credit		Other dependents		If more than four dependents, <input type="checkbox"/> here

Income

(Schedule 1)

7 Wages, salaries, tips, etc. Attach Form(s) W-2	7	249,500
8a Taxable interest. Attach Schedule B if required	8a	3,220
b Tax-exempt interest. Do not include on line 8a	8b	
9a Ordinary dividends. Attach Schedule B if required	9a	
b Qualified dividends	9b	
10 Taxable refunds, credits, or offsets of state and local income taxes	10	
11 Alimony received	11	
12 Business income or (loss). Attach Schedule C or C-EZ	12	0
13 Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/>	13	
14 Other gains or (losses). Attach Form 4797	14	
15a IRA distributions	15a	
b Taxable amount	15b	
16a Pensions and annuities	16a	
b Taxable amount	16b	
17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	
18 Farm income or (loss). Attach Schedule F	18	-2,974
19 Unemployment compensation	19	
20a Social security benefits	20a	35,098
b Taxable amount	20b	29,833
21 Other income. List type and amount	21	
22 Combine the amounts in the far right column for lines 7 through 21. This is your total income	22	279,579

Adjusted Gross Income

(Schedule 1)

23 Educator expenses	23	
24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24	
25 Health savings account deduction. Attach Form 8889	25	
26 Moving expenses. Attach Form 3903	26	
27 Deductible part of self-employment tax. Attach Schedule SE	27	
28 Self-employed SEP, SIMPLE, and qualified plans	28	
29 Self-employed health insurance deduction	29	
30 Penalty on early withdrawal of savings	30	
31a Alimony paid b Recipient's SSN	31a	
32 IRA deduction	32	
33 Student loan interest deduction	33	
34 Tuition and fees. Attach Form 8917	34	
35 Reserved	35	
36 Add lines 23 through 35	36	
37 Subtract line 36 from line 22. This is your adjusted gross income	37	279,579

Form **1040/SR****Form 1040 or 1040-SR Reconciliation Worksheet, Page 2****2019**Name **Clifford Laughton**

Tax TIN

Tax and Credits (Schedules 2, 3)	38 Amount from line 37 (adjusted gross income) 279,579	38	279,579
39a Check <input checked="" type="checkbox"/> You were born before January 2, 1955, <input type="checkbox"/> Blind. Total boxes checked 39a 1	39a	1	
b If your spouse itemizes on a separate return or you were a dual-status alien, check here 39b <input type="checkbox"/>	39b	<input type="checkbox"/>	
40 Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40		189,835
41 Subtract line 40 from line 38	41		89,744
42 Qualified business income deduction (see instructions)	42		
43 Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43		89,744
44 Tax (see instr.). Check if any from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 8872 c <input type="checkbox"/>	44		15,709
45 Alternative minimum tax (see instructions). Attach Form 6251	45		
46 Excess advance premium tax credit repayment. Attach Form 8962	46		
47 Add lines 44, 45, and 46	47		15,709
48 Foreign tax credit. Attach Form 1116 if required	48		
49 Credit for child and dependent care expenses. Attach Form 2441	49		
50 Education credits from Form 8863, line 19	50		
51 Retirement savings contributions credit. Attach Form 8880	51		
52 Child tax credit/credit for other dependents	52		
53 Residential energy credits. Attach Form 5695	53		
54 Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	54		
55 Add lines 48 through 54. These are your total credits	55		
56 Subtract line 55 from line 47. If line 55 is more than line 47, enter -0-	56		15,709
Other Taxes (Schedule 2)	57 Self-employment tax. Attach Schedule SE	57	
58 Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	58		
59 Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	59		
60a Household employment taxes from Schedule H	60a		
b First-time homebuyer credit repayment. Attach Form 5405 if required	60b		
61 Reserved	61		
62 Taxes from: a <input checked="" type="checkbox"/> Form 8959 b <input type="checkbox"/> Form 8960 c <input type="checkbox"/> Instructions; enter code(s)	62		446
63 Section 965 net tax liability installment from Form 965-A	63		
64 Add lines 56 through 62. This is your total tax	64		16,155
Payments (Schedule 3)	65 Federal income tax withheld from Forms W-2 and 1099	65	61,634
66 2019 estimated tax payments and amount applied from 2018 return	66		
67a Earned income credit (EIC)	67a		
b Nontaxable combat pay election 67b	67b		
68 Additional child tax credit. Attach Schedule 8812	68		
69 American opportunity credit from Form 8863, line 8	69		
70 Net premium tax credit. Attach Form 8962	70		
71 Amount paid with request for extension to file	71		
72 Excess social security and tier 1 RRTA tax withheld	72		
73 Credit for federal tax on fuels. Attach Form 4136	73		
74 Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> Reserved c <input type="checkbox"/> Instructions; enter code(s)	74		
75 Add lines 65, 66, 67a, and 68 through 74. These are your total payments	75		61,634
Refund	76 If line 75 is more than line 64, subtract line 64 from line 75. This is the amount you overpaid	76	45,479
77a Amount of line 76 you want refunded to you . If Form 8888 is attached, check here <input type="checkbox"/>	77a		45,479
b Routing number 122400724 c Type: <input checked="" type="checkbox"/> Checking <input type="checkbox"/> Savings			
d Account number 004960310784			
78 Amount of line 76 you want applied to your 2020 estimated tax	78		
Amount You Owe	79 Amount you owe. Subtract line 75 from line 64. For details on how to pay, see instructions	79	
80 Estimated tax penalty (see instructions)	80		

Interest Penalties Date Return filed Late filing Interest (INT) Failure to file Failure to pay Total

Third Party Designee ☒ Paid Preparer is 3rd Party Designee, Third Party Designee information not required
Do you want to allow another person to discuss this return with the IRS (see instructions)? ☐ Yes. Complete below ☐ No
Designee's Name: _____ Personal Identification number (PIN): _____
Phone no.: _____

Other Info Taxpayer Daytime phone number Taxpayer: Occupation **Deceased** IRS Identity Protection PIN
Spouse: Occupation _____ IRS Identity Protection PIN _____
☐ Taxpayer ☐ Spouse Email address _____

Federal Statements**Rental Real Estate****Statement 1 - Schedule C, Line 6 - Other Income**

<u>Description</u>	<u>Amount</u>
Application Fee Income	\$ 2,850
Expense reimbursement	358
Late Fees	10,398
Lease Termination Fee	7,868
Property Management Fees	18,852
Total	\$ 40,326

Form **1040****Auto Worksheet****2019**

Name

Clifford Laughton

Taxpayer Identification Number

Description

Rental Real Estate

Form/Schedule

C

Unit number

1Asset Listing
Number

Date

Description

Vehicle 1 **4 12/05/19 Nissan Cargo Van**

Vehicle 2

Vehicle 3

Vehicle 4

General Information

Vehicle 1

Vehicle 2

Vehicle 3

Vehicle 4

1. Total mileage **500**2. Business miles (58 cents per mile) **500**

3. Commuting mileage

4. Other mileage

5. Business use percentage **100.00 %**

%

%

%

Actual Expenses

6. Parking fees and tolls

7 a. Gasoline

b. Oil

c. Repairs

d. Maintenance

e. Tires

f. Car washes

g. Insurance

h. Interest

i. Registration

j. Licenses

k. Property taxes

l. Other vehicle expenses

m. Vehicle rentals (net of inclusion amount)

8. Total expenses. Add lines 7a - 7m

9. Business use percentage from line 5 **100.00 %**

%

%

%

10. Business use portion of actual expenses

11. Depreciation **18,100**12. Total actual expense allowable. Add lines 6, 10 and 11 **18,100****Standard Mileage Rate Method**13. Business mileage (line 2) multiplied by applicable rate **290**

14. Parking fees and tolls from line 6

15. Line 7h and 7k (Int & taxes) multiplied by bus pct (line 5)

16. Standard mileage rate **290**

Vehicle expense

Vehicle rentals

Vehicle depreciation

Total allowable deduction

Allowable Deduction**18,100****18,100**

Form **1040****General Sales Tax Deduction Worksheet****2019**

Name as shown on return

Clifford Laughton

Taxpayer Identification Number

State of

Hawaii

Locality of

General Sales Tax from IRS Tables

1. Enter the amount of adjusted gross income (AGI) from Form 1040 or 1040-SR, Line 8b 1. 279,579
2. Add the nontaxable amounts from Form 1040 or 1040-SR, lines 2b, 4a, 4c, 5a (Exclude rollovers and tax-free Sec 1035 exchanges) 2. 5,265
3. Add the following nontaxable items: nontaxable combat pay, public assistance, veteran's benefits, and workers' compensation.
Also include any amounts which increase spendable income, such as the refundable portion of refundable tax credits
received in 2019 3. _____
4. Add lines 1 through 3, this is income for general sales tax table purposes 4. 284,844
5. Enter the amount from the sales tax table in the Schedule A instructions.
Part-year residents, complete lines 6 - 8; Full-year residents skip lines 6 - 8
and enter the amount from line 5 on line 9 5. 1,409
6. Enter the number of days of residence in state 6. _____
7. Total days in year 7. 365
8. Divide line 6 by line 7 (rounded to at least 3 decimal places) 8. _____
9. Multiply line 5 by line 8, this is the deductible general sales tax using the IRS table 9. 1,409

Local Sales Tax Using IRS Tables

10. Enter the amount from the sales tax table in the Schedule A instructions. 10. _____
11. If you are a resident of Alaska, Arizona, Arkansas, Colorado, Georgia, Illinois, Louisiana, Mississippi,
Missouri, New York, North Carolina, South Carolina, Tennessee, Utah, or Virginia, enter
the amount from the applicable Optional Local Sales Tax Table in the Schedule A instructions. 11. _____
12. Enter the local general sales tax rate (exclude statewide local sales tax rate) .. 12. _____
13. Enter the state general sales tax rate (include statewide local sales tax rate) 13. _____
14. Divide line 12 by line 13 (rounded to at least 3 decimal places) 14. _____
15. If you entered an amount on line 11, multiply line 11 by line 12. This is the local sales tax
using the optional local sales tax tables.
Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18
and enter the amount from line 15 on line 19
If you did not enter an amount on line 11, multiply line 10 by line 14. This is the local sales tax
using the optional state and certain local sales tax tables. 15. _____
16. Enter the number of days of residence in locality 16. _____
17. Total days in year 17. 365
18. Divide line 16 by line 17 (rounded to at least 3 decimal places) 18. _____
19. Multiply line 15 by line 18. This is the deductible general local sales tax using the IRS tables. 19. _____

General Sales Tax Summary

20. Enter the sum of line 9 from all General Sales Tax Deduction Worksheets 20. _____
21. Enter the sum of line 19 from all General Sales Tax Deduction Worksheets 21. _____
22. Add lines 20 and 21, this is the total General Sales taxes using the tables 22. _____
23. Enter the actual state and local general sales taxes paid 23. _____
24. Enter the greater of line 22 or line 23 24. _____
25. Enter the state and local taxes paid on specified items (major purchases) 25. _____
26. Add lines 24 and 25, this is the deductible General Sales tax 26. _____
27. Enter total state and local income taxes paid 27. _____

Enter the greater of line 26 or 27 on Schedule A, line 5a. If line 26 is greater, mark the Schedule A, line 5a box.

Form **1040****General Sales Tax Deduction Worksheet****2019**

Name as shown on return

Clifford Laughton

Taxpayer Identification Number

State of

Nevada

Locality of

General Sales Tax from IRS Tables

1. Enter the amount of adjusted gross income (AGI) from Form 1040 or 1040-SR, Line 8b 1. 279,579
2. Add the nontaxable amounts from Form 1040 or 1040-SR, lines 2b, 4a, 4c, 5a (Exclude rollovers and tax-free Sec. 1035 exchanges) 2. 5,265
3. Add the following nontaxable items: nontaxable combat pay, public assistance, veteran's benefits, and workers' compensation.
Also include any amounts which increase spendable income, such as the refundable portion of refundable tax credits
received in 2019 3. _____
4. Add lines 1 through 3, this is income for general sales tax table purposes 4. 284,844
5. Enter the amount from the sales tax table in the Schedule A instructions.
Part-year residents, complete lines 6 - 8; Full-year residents skip lines 6 - 8
and enter the amount from line 5 on line 9 5. 1,656
6. Enter the number of days of residence in state 6. _____
7. Total days in year 7. 365
8. Divide line 6 by line 7 (rounded to at least 3 decimal places) 8. _____
9. Multiply line 5 by line 8, this is the deductible general sales tax using the IRS table. 9. 1,656

Local Sales Tax Using IRS Tables

10. Enter the amount from the sales tax table in the Schedule A instructions. 10. _____
11. If you are a resident of Alaska, Arizona, Arkansas, Colorado, Georgia, Illinois, Louisiana, Mississippi,
Missouri, New York, North Carolina, South Carolina, Tennessee, Utah, or Virginia, enter
the amount from the applicable Optional Local Sales Tax Table in the Schedule A instructions. 11. _____
12. Enter the local general sales tax rate (exclude statewide local sales tax rate) 12. _____
13. Enter the state general sales tax rate (include statewide local sales tax rate) 13. _____
14. Divide line 12 by line 13 (rounded to at least 3 decimal places) 14. _____
15. If you entered an amount on line 11, multiply line 11 by line 12. This is the local sales tax
using the optional local sales tax tables.
Part-year residents, complete lines 16 - 18; Full-year residents skip lines 16 - 18
and enter the amount from line 15 on line 19
If you did not enter an amount on line 11, multiply line 10 by line 14. This is the local sales tax
using the optional state and certain local sales tax tables. 15. _____
16. Enter the number of days of residence in locality 16. _____
17. Total days in year 17. 365
18. Divide line 16 by line 17 (rounded to at least 3 decimal places) 18. _____
19. Multiply line 15 by line 18. This is the deductible general local sales tax using the IRS tables. 19. _____

General Sales Tax Summary

20. Enter the sum of line 9 from all General Sales Tax Deduction Worksheets 20. 3,065
21. Enter the sum of line 19 from all General Sales Tax Deduction Worksheets 21. _____
22. Add lines 20 and 21, this is the total General Sales taxes using the tables 22. 3,065
23. Enter the actual state and local general sales taxes paid 23. _____
24. Enter the greater of line 22 or line 23 24. 3,065
25. Enter the state and local taxes paid on specified items (major purchases) 25. _____
26. Add lines 24 and 25, this is the deductible General Sales tax 26. 3,065
27. Enter total state and local income taxes paid 27. 25,048

Enter the greater of line 26 or 27 on Schedule A, line 5a. If line 26 is greater, mark the Schedule A, line 5a box.

Form **1040****Charitable Contribution Carryover Worksheet****2019**

Name as shown on return

Clifford**Laughton**

Taxpayer Identification Number

AGI **279,579** *Adjusted for Pre-TCJA NOL _____ *Adjusted for Post-TCJA NOL _____

	Contribution	AGI Limitation	CY Amount Utilized	Utilized by NOL	Carryover to Next Year
60% Cash					
50% NonCash	350,000	139,790	139,790		210,210
50% Cap Gain (30%)					
30% Cash					
30% NonCash					
20% NonCash					
Qual Conservation					
Totals	350,000		139,790		210,210

60% Limitation Carryover Items

60% AGI Limitation	Remaining Overall AGI Limitation
First - 2018	
Totals	

50% Limitation Carryover Items

50% AGI Limitation	Remaining Overall AGI Limitation
Fifth - 2014	
Fourth - 2015	
Third - 2016	
Second - 2017	
First - 2018	
Totals	

Capital gain property to 50% (30%) Carryover Items

50/30% AGI Limitation	Remaining Overall AGI Limitation
Fifth - 2014	
Fourth - 2015	
Third - 2016	
Second - 2017	
First - 2018	
Totals	

30% Limitation Carryover Items

30% AGI Limitation	Remaining Overall AGI Limitation
Fifth - 2014	
Fourth - 2015	
Third - 2016	
Second - 2017	
First - 2018	
Totals	

20% Limitation Carryover Items

20% AGI Limitation	Remaining Overall AGI Limitation
Fifth - 2014	
Fourth - 2015	
Third - 2016	
Second - 2017	
First - 2018	
Totals	

Cash contributions to Schedule A, Line 11

Carryover from prior years to Schedule A, Line 13

Non-cash contributions to Schedule A, Line 12

139,790

Contributions utilized by NOL Carryover Worksheets

Form **1040****Charitable Contribution Carryover Worksheet AMT****2019**

Name as shown on return

Clifford**Laughton**

Taxpayer Identification Number

AGI

279,579

*Adjusted for Pre-TCJA AMT NOL

*Adjusted for Post-TCJA AMT NOL

Current Year Contributions

	Contribution	AGI Limitation	CY Amount Utilized	Utilized by AMT NOL	Carryover to Next Year
60% Cash					
50% NonCash	350,000	139,790	139,790		210,210
50% Cap Gain (30%)					
30% Cash					
30% NonCash					
20% NonCash					
Qual Conservation					
Totals	350,000		139,790		210,210

60% Limitation Carryover Items

60% AGI Limitation

Remaining Overall AGI Limitation

First - 2018

Totals

50% Limitation Carryover Items

50% AGI Limitation

Remaining Overall AGI Limitation

Fifth - 2014

Fourth - 2015

Third - 2016

Second - 2017

First - 2018

Totals

Capital gain property to 50% (30%) Carryover Items

50/30% AGI Limitation

Remaining Overall AGI Limitation

Fifth - 2014

Fourth - 2015

Third - 2016

Second - 2017

First - 2018

Totals

30% Limitation Carryover Items

30% AGI Limitation

Remaining Overall AGI Limitation

Fifth - 2014

Fourth - 2015

Third - 2016

Second - 2017

First - 2018

Totals

20% Limitation Carryover Items

20% AGI Limitation

Remaining Overall AGI Limitation

Fifth - 2014

Fourth - 2015

Third - 2016

Second - 2017

First - 2018

Totals

Total AMT charitable contributions allowed **139,790**Less: charitable contributions allowed for reg tax **139,790**

Charitable contribution adj to Form 6251, line 3

Contributions utilized by NOL Carryover Worksheets

Form **1040****Home Mortgage Limit Worksheet A****2019**

Name

Taxpayer Identification Number

Clifford Laughton**Part I Qualified Loan Limit**

1. Enter the average balance of all your grandfathered debt. See the line 1 instructions	1.	
2. Enter the average balance of all your home acquisition debt incurred prior to December 16, 2017. See the line 2 instructions	2.	1,680,965
3. Enter \$1,000,000 (\$500,000 if married filing separately)	3.	1,000,000
4. Enter the larger of the amount on line 1 or the amount on line 3	4.	1,000,000
5. Add the amounts on lines 1 and 2. Enter the total here	5.	1,680,965
6. Enter the smaller of the amount on line 4 or the amount on line 5	6.	1,000,000
<input type="checkbox"/> If you have no home acquisition debt incurred after December 15, 2017, line 6 is your qualified loan limit. Enter this amount on line 11 and go to Part II, line 12. <input type="checkbox"/> If you have home acquisition debt incurred after December 15, 2017, go to line 7		
7. Enter the average balance of all your home acquisition debt incurred after December 15, 2017. See the line 7 instructions	7.	
8. Enter \$750,000 (\$375,000 if married filing separately)	8.	
9. Enter the larger of the amount on line 6 or the amount on line 8	9.	
10. Add the amounts on lines 6 and 7. Enter the total here	10.	
11. Enter the smaller of line 9 or line 10. This is your qualified loan limit	11.	1,000,000

Part II Deductible Home Mortgage Interest

12. Enter the total of the average balances of all mortgages on all qualified homes. See the line 12 instructions	12.	1,680,965
<input type="checkbox"/> If line 11 is less than line 12, go on to line 13. <input type="checkbox"/> If line 11 is equal to or more than line 12, stop here. All of your interest on all the mortgages included on line 12 is deductible as home mortgage interest on Schedule A (Form 1040 or 1040-SR), line 8a or 8b, whichever applies.		
13. Enter the total amount of interest that you paid. See the line 13 instructions	13.	67,303
14. Divide the amount on line 11 by the amount on line 12. Enter the result as a decimal amount (rounded to three places)	14.	0.595
15. Multiply the amount on line 13 by the decimal amount on line 14. Enter the result. This is your deductible home mortgage interest. Enter this amount on Schedule A (Form 1040 or 1040-SR), line 8a or 8b, whichever applies	15.	40,045
16. Subtract the amount on line 15 from the amount on line 13. Enter the result. This is not home mortgage interest. See line 16 instructions	16.	27,258

Deductible Points

	Points reported on Form 1098	Points not reported on Form 1098
17. Points paid during current year	17.	17.
18. Decimal amount from Part II, line 14	18. 0.595	18. 0.595
19. Points deductible as home mortgage interest	19.	19.
20. Points not deductible as home mortgage interest	20.	20.

Form **1040****Mixed Use Mortgage Worksheets****2019**

Name

Taxpayer Identification Number

Clifford LaughtonDescription of loan/property **611 Puuikena Dr, Honolulu, HI 96821**Loan Origination
Date**02/25/16**Unit
No.**1**

1. Enter the total principal amount paid in 2019	1.	35,815
2. Number of months loan was outstanding in 2019	2.	12
3. Grandfather debt balance on 12/31/18 (or the first day the mortgage was outstanding)	3.	
4. Grandfather debt balance on 12/31/19 (or the last day the mortgage was outstanding)	4.	
5. Average balance for 2019 of grandfather debt	5.	
6. Pre-12/16/17 home acquisition/improvement debt balance on 12/31/18 (or the first day mortgage was outstanding)	6.	1,698,872
7. Pre-12/16/17 home acquisition/improvement debt balance on 12/31/19 (or the last day mortgage was outstanding)	7.	1,663,057
8. Average balance for 2019 of pre-12/16/17 home acquisition debt	8.	1,680,965
9. Post-12/15/17 home acquisition/improvement debt balance on 12/31/18 (or the first day mortgage was outstanding)	9.	
10. Post-12/15/17 home acquisition/improvement debt balance on 12/31/19 (or the last day mortgage was outstanding)	10.	
11. Average balance for 2019 of post-12/15/17 home acquisition debt	11.	
12. Average balance for 2019 of all types of debt	12.	1,680,965

Mixed Use Mortgage Summary

Average balance grandfather debt for 2019; enter the result on Home Mortgage Limit Worksheet A, line 1

Average balance pre-12/16/17 home acquisition/improvement debt for 2019; enter the result on Home Mortgage Limit Wrk A, line 2

Average balance post-12/15/17 home acquisition/improvement debt for 2019; enter the result on Home Mortgage Limit Wrk A, line 7

Average balance of all debt types for 2019; enter the result on Home Mortgage Limit Worksheet A, line 12

1,680,965**1,680,965**

Form **1040****Passive Activity Deduction Worksheet****2019**

Name

Clifford Laughton

Taxpayer Identification Number

Activity **Rental Real Estate**Form **Sch C** Unit **1**Type **Other passive**

Entire Disposition of Activity

Regular Tax Loss Calculations

	Prior Year Suspended Losses	Current Year Generated	Current Year Utilized	Suspended Losses To Next Year
Operating		23,989		23,989
Short-term capital loss				
Long-term capital loss				
28% rate capital loss				
Section 1231 loss				
Ordinary business loss				
Other Losses - 1040 Schedule 1				
Commercial revitalization				

Alternative Minimum Tax Loss Calculations

	Prior Year Suspended Losses	Current Year Generated	Current Year Utilized	Suspended Losses To Next Year
Operating		23,989		23,989
Short-term capital loss				
Long-term capital loss				
28% rate capital loss				
Section 1231 loss				
Ordinary business loss				
Other Losses - 1040 Schedule 1				
Commercial revitalization				

Schedule C	Qualified Business Income Calculation Worksheet	2019
Name Clifford Laughton		Taxpayer Identification Number [REDACTED]
Principle business or profession Rental Real Estate		Form/Schedule Unit C 1

<p>1. Schedule C, Line 31, Net profit or (loss)</p> <p>Additions for qualified business income:</p> <p>2. Form 4797, Ordinary income</p> <p>Prior to TCJA suspended losses allowed:</p> <p>3. Passive suspended losses</p> <p>4. At-Risk suspended losses</p> <p>5. Section 179 carryover</p> <p>6. Total additions to net profit or (loss). Add lines 2 through 5.</p> <p>Subtractions for qualified business income</p> <p>7. Form 4797, Ordinary loss (includes share of Net section 1231 losses)</p> <p>8. Deductible portion of self-employment taxes</p> <p>9. Self-employed SEP, SIMPLE, and qualified plans</p> <p>10. Self-employed health insurance deduction</p> <p>11. Passive suspended to next year</p> <p>12. At-Risk suspended to next year</p> <p>13. Total subtraction to net profit or (loss). Add lines 7 through 12.</p> <p>14. Qualified business income for this activity. Line 1 plus line 6 less line 13.</p>	<table style="width: 100%; border-collapse: collapse;"> <tr><td style="border: 1px solid black;">1.</td><td style="border: 1px solid black;">0</td></tr> <tr><td style="border: 1px solid black;">2.</td><td style="border: 1px solid black;"></td></tr> <tr><td style="border: 1px solid black;">3.</td><td style="border: 1px solid black;"></td></tr> <tr><td style="border: 1px solid black;">4.</td><td style="border: 1px solid black;"></td></tr> <tr><td style="border: 1px solid black;">5.</td><td style="border: 1px solid black;"></td></tr> <tr><td style="border: 1px solid black;">6.</td><td style="border: 1px solid black;"></td></tr> <tr><td style="border: 1px solid black;">7.</td><td style="border: 1px solid black;"></td></tr> <tr><td style="border: 1px solid black;">8.</td><td style="border: 1px solid black;"></td></tr> <tr><td style="border: 1px solid black;">9.</td><td style="border: 1px solid black;"></td></tr> <tr><td style="border: 1px solid black;">10.</td><td style="border: 1px solid black;"></td></tr> <tr><td style="border: 1px solid black;">11.</td><td style="border: 1px solid black;"></td></tr> <tr><td style="border: 1px solid black;">12.</td><td style="border: 1px solid black;"></td></tr> <tr><td style="border: 1px solid black;">13.</td><td style="border: 1px solid black;"></td></tr> <tr><td style="border: 1px solid black;">14.</td><td style="border: 1px solid black;">0</td></tr> </table>	1.	0	2.		3.		4.		5.		6.		7.		8.		9.		10.		11.		12.		13.		14.	0
1.	0																												
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9.																													
10.																													
11.																													
12.																													
13.																													
14.	0																												

Carryovers:

Passive activity:

Operating

Form 4797, Part II

Section 1231 loss

At-Risk:

Operating

Form 4797, Part II

Section 1231 loss

Section 179

Section 179 - COGS

Other:

Section 179

Section 179 - COGS

Pre -TCJA**Post-TCJA****23,989**

Schedule **F****Qualified Business Income Calculation Worksheet****2019**

Name

Clifford Laughton

Taxpayer Identification Number

Form/Schedule

F

Unit

1

Farm description

Greystone Vineyards LLC

1. Schedule F, Line 34, Net farm profit or (loss)

1. **-2,974**

Additions for qualified business income:

2. Form 4797, Ordinary income

2.

Prior to TCJA suspended losses allowed:

3. Passive suspended losses

3.

4. At-Risk suspended losses

4.

5. Section 179 carryover

5.

6. Total additions to net profit or (loss). Add lines 2 through 5.

6.

Subtractions for qualified business income

7. Form 4797, Ordinary loss (including share of net 1231 loss)

7.

8. Deductible portion of self-employment taxes

8.

9. Self-employed SEP, SIMPLE, and qualified plans

9.

10. Self-employed health insurance deduction

10.

11. Passive suspended to next year

11.

12. At-Risk suspended to next year

12.

13. Total subtraction to net profit or (loss). Add lines 7 through 12.

13.

14. Qualified business income for this activity. Line 1 plus line 6 less line 13.

14. **-2,974****Carryovers:****Pre -TCJA****Post-TCJA**

Passive activity:

Operating

Form 4797, Part II

Section 1231 loss

At-Risk:

Operating

Form 4797, Part II

Section 1231 loss

Section 179

Other:

Section 179 carryover

Form **1040****Social Security Worksheet****2019**

Name

Taxpayer Identification Number

Clifford LaughtonIf you are married filing separately and you **lived apart** from your spouse for all of 2019:

- Form 1040/1040-SR: Enter "D" to the right of the word "benefits" on line 5a.

1. Enter the total amount from box 5 of all your Forms SSA-1099 and Forms RRB-1099 (if applicable). Also, enter this amount on Form 1040 or 1040-SR, line 5a.	1. <u>35,098</u>
2. Multiply line 1 by 50% (0.50).	2. <u>17,549</u>
3. Add the amounts on Form 1040 or 1040-SR, lines 1, 2a, 2b, 3b, 4b, 4d, 6, and Schedule 1, line 9. Also, enter the total of any exclusion/adjustments for Qualified U.S. savings bond interest (Form 8815, line 14), adoption benefits (Form 8839, line 28), foreign earned income or housing (Form 2555, lines 45 and 50), certain income of bona fide residents of American Samoa (Form 4563, line 15) or Puerto Rico	3. <u>249,746</u>
4. Add lines 2 and 3	4. <u>267,295</u>
5. Enter the total of the amounts from Schedule 1, lines 10 thru 19, plus adjust from Schedule 1, line 22.	5. <u> </u>
6. Subtract line 5 from line 4	6. <u>267,295</u>
7. Enter \$25,000 (\$32,000 if married filing jointly; \$0 if married filing separately and you lived with your spouse at any time during 2019)	7. <u>25,000</u>
8. Subtract line 7 from line 6. If zero or less, enter -0-	8. <u>242,295</u>
<ul style="list-style-type: none"> If line 8 is zero, stop here. None of your benefits are taxable. Enter -0- on Form 1040 or 1040-SR, line 5b. If you are married filing separately and you lived apart from your spouse for all of 2019, enter -0- on Form 1040 or 1040-SR, line 5b. If line 8 is more than zero, go to line 9. 	
9. Enter \$9,000 (\$12,000 if married filing jointly; \$0 if married filing separately and you lived with your spouse at any time during 2019)	9. <u>9,000</u>
10. Subtract line 9 from line 8. If zero or less, enter -0-	10. <u>233,295</u>
11. Enter the smaller of line 8 or line 9	11. <u>9,000</u>
12. Enter one half of line 11	12. <u>4,500</u>
13. Enter the smaller of line 2 or line 12	13. <u>4,500</u>
14. Multiply line 10 by 85% (0.85). If line 10 is zero, enter -0-	14. <u>198,301</u>
15. Add lines 13 and 14	15. <u>202,801</u>
16. Multiply line 1 by 85% (0.85)	16. <u>29,833</u>
17. Taxable benefits. Enter the smaller of line 15 or line 16. Also, enter this amount on Form 1040 or 1040-SR, line 5b	17. <u>29,833</u>

Percentage of total benefits received included as taxable income.

85.0%

Note: If part of your benefits are taxable for 2019 **and** they include benefits paid in 2019 that were for an earlier year, you may be able to reduce the taxable amount shown on the worksheet. See Pub. 915 for details.

Form **1040****Tax Refund Worksheet - 2019 State and Local Refunds****2020**

Name

Taxpayer Identification Number

Clifford Laughton**HI**

1. 2019 payments paid in 2020	1.	
2. 2019 extension paid in 2020	2.	
3. 2019 additional payment paid in 2020	3.	
4. Total 2019 payments paid in 2020 (sum of lines 1 through 3)	4.	
5. Total payments on the 2019 return	5.	19,133
6. Total 2019 overpayment/refund	6.	13,508
7. 2019 refund attributable to tax paid in 2020 (line 4 divided by line 5 multiplied by line 6)	7.	
8. 2019 state/local tax refund attributable to tax paid in 2019 (line 6 minus line 7)	8.	13,508

1. 2019 payments paid in 2020	1.	
2. 2019 extension paid in 2020	2.	
3. 2019 additional payment paid in 2020	3.	
4. Total 2019 payments paid in 2020 (sum of lines 1 through 3)	4.	
5. Total payments on the 2019 return	5.	
6. Total 2019 overpayment/refund	6.	
7. 2019 refund attributable to tax paid in 2020 (line 4 divided by line 5 multiplied by line 6)	7.	
8. 2019 state/local tax refund attributable to tax paid in 2019 (line 6 minus line 7)	8.	

1. 2019 payments paid in 2020	1.	
2. 2019 extension paid in 2020	2.	
3. 2019 additional payment paid in 2020	3.	
4. Total 2019 payments paid in 2020 (sum of lines 1 through 3)	4.	
5. Total payments on the 2019 return	5.	
6. Total 2019 overpayment/refund	6.	
7. 2019 refund attributable to tax paid in 2020 (line 4 divided by line 5 multiplied by line 6)	7.	
8. 2019 state/local tax refund attributable to tax paid in 2019 (line 6 minus line 7)	8.	

1. 2019 payments paid in 2020	1.	
2. 2019 extension paid in 2020	2.	
3. 2019 additional payment paid in 2020	3.	
4. Total 2019 payments paid in 2020 (sum of lines 1 through 3)	4.	
5. Total payments on the 2019 return	5.	
6. Total 2019 overpayment/refund	6.	
7. 2019 refund attributable to tax paid in 2020 (line 4 divided by line 5 multiplied by line 6)	7.	
8. 2019 state/local tax refund attributable to tax paid in 2019 (line 6 minus line 7)	8.	

1. 2019 payments paid in 2020	1.	
2. 2019 extension paid in 2020	2.	
3. 2019 additional payment paid in 2020	3.	
4. Total 2019 payments paid in 2020 (sum of lines 1 through 3)	4.	
5. Total payments on the 2019 return	5.	
6. Total 2019 overpayment/refund	6.	
7. 2019 refund attributable to tax paid in 2020 (line 4 divided by line 5 multiplied by line 6)	7.	
8. 2019 state/local tax refund attributable to tax paid in 2019 (line 6 minus line 7)	8.	

Total of ALL 2019 state/local tax refunds attributable to tax paid in 2020 (sum of lines 7)

Total of ALL 2019 state/local tax refunds attributable to tax paid in 2019 (sum of lines 8; for 2020 Tax Refund Wrk)

13,508

Form **1040****Tax Refund Worksheet - No Tax Benefit Derived****2020**

Name

Clifford Laughton

Taxpayer Identification Number

2019 State and Local Refunds Not Taxable in 2020 Due to AMT

1. Total refund attributable to 2019 (from total on Wrk 10, Tax Refund Wrk - 2019 State and Local Refunds)	1.	13,508
2. 2019 regular tax	2.	15,709
3. 2019 AMT	3.	0
4. 2019 Total Tax (line 2 + line 3)	4.	15,709
5. 2019 Federal Marginal Tax Rate	5.	0.240
6. Tentative no benefit (line 3 divided by line 5)	6.	0
7. Adjustment (smaller of line 1 or line 6)	7.	0
8. Recalculated 2019 Itemized Deductions	8.	0
9. Recalculated 2019 Taxable Income	9.	0
10. Recalculated 2019 Tax	10.	0
Recalculated 2019 Tax using Sch D Tax Wrk or QDCGTW		
Recalculated 2019 Form 8615		
Recalculated 2019 Schedule J		
11. Recalculated 2019 AMT	11.	0
12. New 2019 Total Tax (line 10 + line 11)	12.	0
13. 2019 state and local refunds not taxable in 2020 due to AMT (equals line 7, if line 12 < or = line 4)	13.	0

The amount from Line 13 will carry to the 2020 Tax Refund Worksheet

2019 State and Local Refunds Not Taxable in 2020 Due to Zero Tax

1. Total refund attributable to 2019 (from total on Wrk 10, Tax Refund Wrk - 2019 State and Local Refunds)	1.	
2. 2019 regular tax after credits	2.	
3. Recalculated 2019 tax after credits	3.	
4. Difference, if any (line 2 - line 3)	4.	
5. 2019 state and local refunds not taxable in 2020 due to zero tax (equals line 1, if line 4 = zero)	5.	

The amount from Line 5 will carry to the 2020 Tax Refund Worksheet

2019 State and Local Refunds Not Taxable in 2020 Due to Sch A Tax Deduction Limitation

1. 2019 Schedule A line 5d - state and local taxes before limitation	1.	32,871
2. Total refund attributable to 2019 (from total on Wrk 10, Tax Refund Wrk - 2019 State and Local Refunds)	2.	13,508
3. Difference, if any (line 1 - line 2)	3.	19,363
4. 2019 Schedule A line 5e - limited state and local taxes	4.	10,000
5. Difference, if any (line 3 - line 4) (If line 5 >= zero, refund not taxable, skip to line 7)	5.	9,363
6. No Taxable Benefit Amount (Combine Line 2 + Line 5)	6.	
7. 2019 state/local refunds not taxable in 2020 due to Sch A tax limitation (equals (line 2, if line 5 >= zero) or (line 6, if line 6 is > zero))	7.	13,508

The amount from Line 7 will carry to the 2020 Tax Refund Worksheet

Federal Statements**Schedule A, Line 5a - State and Local Taxes**

Description	Amount
State Withholding on W-2s	\$ 19,133
State Tax Payments	5,915
Total Income Taxes*	25,048
General Sales Tax	3,065
Total Sales Taxes	3,065

*Income taxes are being deducted

Schedule A, Line 5b - Real Estate Taxes

Description	Amount
611 Puuikena Dr	\$ 7,823
Total	\$ 7,823

Schedule A, Line 8a - Home Mortgage Interest & Points From Form 1098

Description	Amount
Mortgage Int - Worksheet A	\$ 40,045
Total	\$ 40,045

Schedule A, Line 12 - Charitable Contributions Other Than Cash or Check

Description	Amount
50% Contrib from 8283	\$ 350,000
Disallowed Noncash Cont	-210,210
Total	\$ 139,790

Federal Statements**Rental Real Estate****Schedule C, Line 23 - Taxes and Licenses**

<u>Description</u>	<u>Amount</u>
Hawaii General Excise Tax	\$ 68,049
Real estate taxes	137,296
Licenses and fees	1,290
Total	<u>\$ 206,635</u>

FYE: 12/31/2019

Federal Asset Report

Rental Real Estate

Asset	Description	Date In Service	Cost	Bus %	Sec 179 Bonus	Basis for Depr	PerConv Meth	Prior	Current
Prior MACRS:									
1	Parking Stalls	9/19/12	1,941,368			1,941,368	39 MMS/L	313,196	49,779
2	Building Units	9/19/12	6,151,098			6,151,098	27 MMS/L	1,407,241	223,676
			<u>8,092,466</u>			<u>8,092,466</u>		<u>1,720,437</u>	<u>273,455</u>
Listed Property:									
4	Nissan Cargo Van	12/05/19	23,134		X	5,034	5 MQ200DB	0	18,100
			<u>23,134</u>			<u>5,034</u>		<u>0</u>	<u>18,100</u>
Amortization:									
3	Startup Legal Fees	9/20/12	3,800			3,800	15 MOAmort	1,604	254
			<u>3,800</u>			<u>3,800</u>		<u>1,604</u>	<u>254</u>
Grand Totals			8,119,400			8,101,300		1,722,091	291,809
Less: Dispositions and Transfers			0			0		0	0
Less: Start-up/Org Expense			0			0		0	0
Net Grand Totals			<u>8,119,400</u>			<u>8,101,300</u>		<u>1,722,091</u>	<u>291,809</u>

12019 Laughton, Clifford

10/22/2020

[REDACTED]

Bonus Depreciation Report
Rental Real Estate

FYE: 12/31/2019

Asset	Property Description	Date In Service	Tax Cost	Bus Pct	Tax Sec 179 Exp	Current Bonus	Prior Bonus	Tax - Basis for Depr
4	Nissan Cargo Van	12/05/19	23,134	100	0	18,100	0	5,034
Grand Total			23,134		0	18,100	0	5,034

FYE: 12/31/2019

AMT Asset Report

Rental Real Estate

Asset	Description	Date In Service	Cost	Bus %	Sec 179 Bonus	Basis for Depr	Per Conv Meth	Prior	Current
Prior MACRS:									
1	Parking Stalls	9/19/12	1,941,368			1,941,368	39 MMS/L	313,196	49,779
2	Building Units	9/19/12	6,151,098			6,151,098	27 MMS/L	1,407,291	223,676
			<u>8,092,466</u>			<u>8,092,466</u>		<u>1,720,487</u>	<u>273,455</u>
Listed Property:									
4	Nissan Cargo Van	12/05/19	23,134		X	5,034	5 MQ200DB	0	18,100
			<u>23,134</u>			<u>5,034</u>		<u>0</u>	<u>18,100</u>
Grand Totals			8,115,600			8,097,500		1,720,487	291,555
Less: Dispositions and Transfers			0			0		0	0
Net Grand Totals			<u>8,115,600</u>			<u>8,097,500</u>		<u>1,720,487</u>	<u>291,555</u>

Depreciation Adjustment Report
All Business Activities

FYE: 12/31/2019

Form	Unit	Asset	Description	Tax	AMT	AMT Adjustments/ Preferences
<u>MACRS Adjustments:</u>						
C	1	1	Parking Stalls	49,779	49,779	0
C	1	2	Building Units	223,676	223,676	0
C	1	4	Nissan Cargo Van	18,100	18,100	0
				<u>291,555</u>	<u>291,555</u>	<u>0</u>

Form **1040****Carryover Report****2019**

Name

Clifford Laughton

Taxpayer Identification Number

Carryover Item	Available to 2019	2019 Amounts		Carryover to 2020
Minimum tax credit				
Investment interest				
Investment interest - AMT				
Short-term capital loss				
Short-term capital loss - AMT				
Long-term capital loss				
Long-term capital loss - AMT				
Residential energy efficient property				
D.C. first-time homebuyer credit				
Tax credit bonds				
Qualified business income loss		Generated	2,974	2,974
Qualified REIT income and PTP loss				

Nonrecaptured Section 1231 Losses - Line 8, Form 4797

2014 Amounts _____

2015 Amounts _____

2016 Amounts _____

2017 Amounts _____

2018 Amounts _____

Available to 2019 _____

2019 Amounts _____

Carryover to 2020 _____

AMT Nonrecaptured Section 1231 Losses - Line 8, Form 4797

2014 Amounts _____

2015 Amounts _____

2016 Amounts _____

2017 Amounts _____

2018 Amounts _____

Available to 2019 _____

2019 Amounts _____

Carryover to 2020 _____

[illegible]

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EXHIBIT PAGE ONLY

EXHIBIT 8

HUTCHISON & STEFFEN
A PROFESSIONAL LLC



JBT161

FORM
N-11
(Rev. 2016)

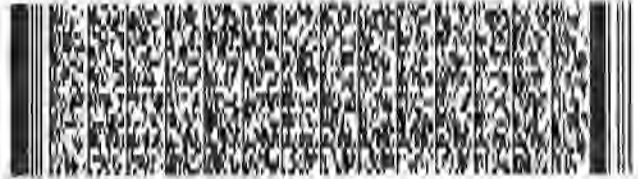
STATE OF HAWAII — DEPARTMENT OF TAXATION
Individual Income Tax Return
RESIDENT
Calendar Year 2016
OR

AMENDED Return
NOL Carryback
IRS Adjustment

Fiscal Year
Beginning

and Ending

FOR OFFICE USE ONLY



Do NOT Submit a Photocopy!!

Place an X in applicable box, if appropriate

First Time Filer

Address or Name Change

• ATTACH COPY 2 OF FORM W-2 HERE •
• ATTACH CHECK OR MONEY ORDER AND FORM N-200V HERE •

Your First Name Clifford	M I	Your Last Name Laughton
Spouse's First Name	M I	Spouse's Last Name
Care Of (See Instructions, page 7.)		
mailing or home address (Number and street, including Rural Route) 18124 Wedge Pkwy APT 456		
City, town or post office Reno	State NV	Postal/ZIP code 89511
If Foreign address, enter Province and/or State		Country

IMPORTANT — Complete this Section

Enter the first four letters
of your last name.
Use **ALL CAPITAL** letters

LAUG

Your Social
Security Number

Enter the first four letters
of your Spouse's last name.
Use **ALL CAPITAL** letters

Spouse's Social
Security Number

(Place an X in only ONE box)

- 1 ☒ Single
- 2 Married filing joint return (even if only one had income).
- 3 Married filing separate return. Enter spouse's SSN and the first four letters of last name above Enter spouse's full name here.

4

Head of household (with qualifying person). If the qualifying person is a child but not your dependent, enter the child's full name. ➤

5

Qualifying widow(er) with dependent child. Enter the year your spouse died

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X above line 21

- 6a ☒ Yourself ☒ Age 65 or over
- 6b Spouse Age 65 or over

} Enter the number of Xs
on 6a and 6b

2

If you placed an X on lines 3 and 6b above, see the Instructions on page 9 and if your spouse meets the qualifications, place an X here

6c and 6d	Dependents. If the individual name more than 4 dependents, use attachment	2 Dependents' social security number	3. Relationship

Enter number of
your children listed

6c

Enter number of
other dependents

6d

6e Total number of exemptions claimed. Add numbers entered in boxes 6a thru 6d above
ID NO 20

6e **2**

FORM N-11



JBT162

Form N-11 (Rev. 2016)

Your Social Security Number

Your Spouse's SSN

Page 2 of 4

Name(s) as shown on return

Clifford Laughton

ROUND TO THE NEAREST DOLLAR

7	Federal adjusted gross income (AGI) (see page 12 of the Instructions)	7	<u>938929</u>
8	Difference in state/federal wages due to COLA, ERS, etc. (see page 12 of the Instructions)	8	<u> </u>
9	Interest on out-of-state bonds (including municipal bonds)	9	<u> </u>
10	Other Hawaii additions to federal AGI (see page 12 of the Instructions)	10	<u> </u>
11	Add lines 8 through 10 Total Hawaii additions to federal AGI	11	<u> </u>
12	Add lines 7 and 11	12	<u>938929</u>
13	Pensions taxed federally but not taxed by Hawaii (see page 14 of the Instructions)	13	<u> </u>
14	Social security benefits taxed on federal return	14	<u>26293</u>
15	First \$6,279 of military reserve or Hawaii national guard duty pay	15	<u> </u>
16	Payments to an individual housing account	16	<u> </u>
17	Exceptional trees deduction (attach affidavit) (see page 15 of the Instructions)	17	<u> </u>
18	Other Hawaii subtractions from federal AGI (see page 15 of the Instructions) Stmt 1 X	18	<u>2134</u>
19	Add lines 13 through 18 Total Hawaii subtractions from federal AGI	19	<u>28427</u>
20	Line 12 minus line 19 Hawaii AGI >	20	<u>910502</u>

CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 17, and place an X here.

21 If you do not itemize your deductions, go to line 23 below. Otherwise go to page 17 of the Instructions and enter your itemized deductions here.

21a	Medical and dental expenses (from Worksheet A-1)	21a	<u> </u>
21b	Taxes (from Worksheet A-2)	21b	<u>6567</u>
21c	Interest expense (from Worksheet A-3)	21c	<u>44368</u>
21d	Contributions (from Worksheet A-4)	21d	<u>580</u>
21e	Casualty and theft losses (from Worksheet A-5)	21e	<u> </u>
21f	Miscellaneous deductions (from Worksheet A-6)	21f	<u> </u>

TOTAL ITEMIZED DEDUCTIONS

22 Add lines 21a through 21f. If your Hawaii adjusted gross income is above a certain amount, you may not be able to deduct all of your itemized deductions. See the instructions on page 22. Enter total here and go to line 24.

29204

23 If you checked filing status box: 1 or 3 enter \$2,200;
2 or 5 enter \$4,400; 4 enter \$3,212

Standard Deduction > 23

24 Line 20 minus line 22 or 23, whichever applies. (This line MUST be filled in)

24

881298

ID NO 20



JBT163

Form N-11 (Rev. 2016)

Your Social Security Number

Your Spouse's SSN

Page 3 of 4

Clifford Laughton

Name(s) as shown on return

25 Multiply \$1,144 by the total number of exemptions claimed on line 6e.

If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es), and see page 23 of the Instructions.

Yourself

Spouse

25

2288

26 Taxable Income. Line 24 minus line 25 (but not less than zero)

Taxable Income > 26

879010

27 Tax Place an X if from Tax Table; Tax Rate Schedule; or ☒ Capital Gains Tax Worksheet on page 39 of the Instructions

(Place an X if tax from Forms N-2, N-103, N-152, N-168, N-312, N-338,

N-344, N-348, N-405, N-586, N-615, or N-814 is included)

Tax > 27

65209

27a If tax is from the Capital Gains Tax Worksheet, enter the net capital gain from line 14 of that worksheet

27a

656296

28 Refundable Food/Excise Tax Credit

(attach Form N-311) DHS, etc. exemptions

28

29 Credit for Low-Income Household

Renters (attach Schedule X)

29

30 Credit for Child and Dependent

Care Expenses (attach Schedule X)

30

31 Credit for Child Passenger Restraint

System(s) (attach a copy of the invoice)

31

32 Total refundable tax credits from

Schedule CR (attach Schedule CR)

32

33 Add lines 28 through 32

Total Refundable Credits > 33

34 Line 27 minus line 33. If line 34 is zero or less, see Instructions

34

65209

35 Total nonrefundable tax credits (attach Schedule CR)

35

36 Line 34 minus line 35

Balance > 36

65209

37 Hawaii State Income tax withheld (attach W-2s) (see page 28 of the Instructions for other attachments)

37

81215

38 2016 estimated tax payments

38

39 Amount of estimated tax applied from 2015 return

39

40 Amount paid with extension

40

60000

41 Add lines 37 through 40

Total Payments > 41

141215

42 If line 41 is larger than line 36, enter the amount OVERPAID (line 41 minus line 36) (see Instructions)

42

76006

43 Contributions to (see page 29 of the Instructions):

Yourself

Spouse

43a Hawaii Schools Repairs and Maintenance Fund

\$2

\$2

43b Hawaii Public Libraries Fund

\$2

\$2

43c Domestic and Sexual Violence / Child Abuse and Neglect Funds

\$5

\$5

44 Add the amounts of the Xs on lines 43a through 43c and enter the total here

44

45 Line 42 minus line 44

45

76006

ID NO 20



Form N-11 (Rev. 2016)

Page 4 of 4

Your Social Security Number

Your Spouse's SSN

JBT164

Clifford Laughton

Name(s) as shown on return

46 Amount of line 45 to be applied to your

2017 ESTIMATED TAX

46

19240

47a Amount to be REFUNDED TO YOU (line 45 minus line 46) If filing late,
see page 29 of Instructions

47a

56766

Place an X in this box if this refund will ultimately be deposited to a foreign (non-U.S.) bank. Do not complete lines 47b, 47c, or 47d

47b Routing number

122400724

47c Type: ☒ Checking

Savings

47d Account number

004960310784

48 AMOUNT YOU OWE (line 36 minus line 41). Send Form N-200V with your payment.

Make check or money order payable to the "Hawaii State Tax Collector" ...

48

49 Estimated tax penalty. (See page 30 of

Instructions.) Do not include on line 42 or 48. Place an X in

this box if Form N-210 is attached >

49

50 AMENDED RETURN ONLY – Amount paid (overpaid) on original return. (See Instructions) (attach Sch. AMD) 50

51 AMENDED RETURN ONLY – Balance due (refund) with amended return. (See Instructions) (attach Sch. AMD) 51

52 Did you file a federal Schedule C? ☒ Yes ☐ No If yes, enter Hawaii gross receipts

2245840

your main business activity:

Rental Real Estate

your main business product:

Residential Prop

AND your HI Tax I.D. No. for this activity

GE

099-413-4016-01

53 Did you file a federal Schedule E
for any rental activity?Yes ☒ No

If yes, enter Hawaii gross rents received

AND your HI Tax I.D. No. for this activity

GE

54 Did you file a federal Schedule F? ☒ Yes ☐ No

If yes, enter Hawaii gross receipts

your main business activity:

Greystone Vineyard

your main business product:

Wine Grapes

AND your HI Tax I.D. No. for this activity

GE

DESIGNEE	If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 31 of the Instructions			
	Designee's name > Russell K Yamamoto		Designee's phone number > 808-589-2100	
	Designee's address > P01266595			
PLEASE SIGN HERE	HAWAII ELECTION CAMPAIGN FUND			
	Do you want \$2 to go to the Hawaii Election Campaign Fund? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>			
	If joint return, does your spouse want \$2 to go to the fund? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>			
	Note: Placing an X in the "Yes" box will not increase your tax or reduce refund			
DECLARATION	I declare, under the penalties and perjury of the laws of the State of Hawaii, that this return has been prepared by me or someone I have authorized to prepare it, and that the information furnished is true and correct to the best of my knowledge and belief, and that the return was prepared in good faith for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.			
	Your signature > Clifford Laughton		Date 10/12/17	
	Your occupation > Administrator		Spouse's signature (if filing jointly, BOTH must sign)	
	Your phone number		Date	
PAID	Preparer's name > Russell K Yamamoto		Date 10/11/17	
	Preparer's address > P01266595		Check if self-employed <input type="checkbox"/>	
	Preparer's phone number > 808-589-2100		Preparer's identification number	
	Firm's name (or yours if self-employed), address, and ZIP code > Tatsuguchi CPA LLC, 1314 S King St Ste 662, Honolulu, HI 96814-1941		Federal E.I. No. > 20-1767081	
Firm's name (or yours if self-employed), address, and ZIP code	Firm's name (or yours if self-employed), address, and ZIP code > Tatsuguchi CPA LLC, 1314 S King St Ste 662, Honolulu, HI 96814-1941		Phone No. > 808-589-2100	

ID NO 20

FORM N-11

**Schedule
D-1
(Rev. 2016)**

STATE OF HAWAII — DEPARTMENT OF TAXATION
Sales of Business Property
 (Also Involuntary Conversions and Recapture Amounts Under
 IRC Sections 179 and 280F(b)(2))

2016

► To be filed with Form N-15, N-20, N-30, N-35, N-40, etc. — See separate instructions, including those for N-11 or N-15.
CAUTION: Do not confuse this schedule with the federal Schedule D-1.

Name(s) as shown on tax return

Clifford Laughton

Social Security Number or Federal Employer I.D. No.

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty and Theft — Most Property Held More Than 1 Year

- Notes:**
- Use federal Form 4684 to report involuntary conversions from casualty and theft.
 - File federal Form 4684 if you are reporting a loss and have items insured in the activity for which you are not at risk (See Instructions under "At-Risk Rules").
 - Complete federal Form 4684 when you complete Schedule D-1 if you are reporting a loss from a passive activity (See Instructions under "Passive Loss Limitations").

1 Enter the gross proceeds from sales or exchanges reported to you for 2016 on federal Form(s) 1099-B or 1099-S (if a substitute statement) that you will be including on line 2 (Column d), line 11 (Column g), or line 21

1

(a) Description of property

(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation claimed (or allowable)	(f) Cost or other basis plus depreciation and other basis	(g) LOSS (f) minus the sum of (d) and (e)	(h) GAIN (d) plus (e) minus (f)
2						

3 Gain, if any, from federal Form 4684, line 39

3

4 IRC section 1231 gain from installment sales from federal Form 6252, line 26 or 37

4

5 IRC section 1231 gain or (loss) from like-kind exchanges from federal Form 8824

5

6 Gain, if any, from Part III, line 33, from other than casualty or theft

6

656,296

7 Add lines 2 through 6 in columns (g) and (h)

7

8 Combine columns (g) and (h) of line 7. Enter gain or (loss) here, and on the appropriate line as follows: *Partnerships* on N-20, Sch. K, line 10; *S corps* on N-35, Sch. K, line 9. Skip lines 9, 10, 12 & 13.

8

656,296

If line 8 is zero or a loss, enter the amount on line 12 below and skip lines 9 and 10. If line 8 is a gain and you did not have any prior year IRC section 1231 losses, or they were recaptured in an earlier year, enter the gain as a long-term capital gain on Schedule D for your return or on the Capital Gain/Loss Worksheet in the Form N-15 Instructions and skip lines 9, 10, 12, and 13, below.

9 Nonrecaptured net IRC section 1231 losses from prior years (see Instructions)

9

10 Line 8 minus line 9. If zero or less, enter zero

10

0

If line 10 is zero, enter the amount from line 8 on line 13 below. If line 10 is more than zero, enter the amount from line 9 on line 13 below, and enter the amount from line 10 as a long-term capital gain on Schedule D for your return or on Capital Gain/Loss Worksheet in the Form N-15 Instructions. (See specific Instructions for line 10.)

Part II Ordinary Gains and Losses

11 Ordinary gains and losses not included on lines 12 through 17 (include property held 1 year or less)

12 Loss, if any, from line 8

12

13 Gain, if any, from line 8, or amount from line 9 if applicable

13

14 Gain, if any, from Part III, line 32

14

15 Net gain or (loss) from federal Form 4684, lines 31 and 38a

15

16 Ordinary gain from installment sales from federal Form 6252, line 25 or 36

16

17 Ordinary gain or (loss) from like-kind exchanges from federal Form 8824

17

18 Add lines 11 through 17 in columns (g) and (h)

18

19 Combine columns (g) and (h) of line 18. Enter gain or (loss) here, and on the appropriate line as follows:

19

a For all except individual returns: Enter the gain or (loss) from line 19, on the return being filed (Form N-30, etc.)

b For individual return, Form N-15, see below. See instructions for Form N-11.

- (1)** If the loss on line 12 includes a loss from federal Form 4684, line 39, column (b) (ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Worksheet A-6, line 30, in the Form N-11 Instructions or on Worksheet NR-6, line 32 or 33, or on Worksheet PY-6, line 58 or 59 in the Form N-15 Instructions; and the part of the loss from property used as an employee on Worksheet A-6, line 25, on Worksheet NR-6, line 26 or 27, or on Worksheet PY-6, line 49 or 50. Identify as from "Schedule D-1, line 19b(1)."

- (2)** Redetermine the gain or (loss) on line 19, excluding the loss (if any) on line 19b(1). Enter here and on Form N-15, line 14.

19b(1)

19b(2)

Clifford Laughton

Schedule D-1 (Rev. 2016)

PAGE 2

Part III Gain from Disposition of Property Under IRC Sections 1245, 1250, 1252, 1254, and 1255

(a) Description of IRC sections 1245, 1250, 1252, 1254, or 1255 property	(b) Date acquired (mo./day/yr.)	(c) Date sold (mo./day/yr.)
A Parking Stall	09/19/12	04/20/16
B Building Units	09/19/12	04/20/16
C		
D		

Relate lines 20A through 20D to these columns: > > >

		Property A	Property B	Property C	Property D
21 Gross sales price (Note: See line 1 before completing.)	21	240,259	1,001,389		
22 Cost or other basis plus expense of sale	22	127,025	529,447		
23 Depreciation (or depletion) allowed or allowable	23	10,291	60,829		
24 Adjusted basis. Line 22 minus line 23	24	116,734	468,618		
25 Total. Line 21 minus line 24	25	123,525	532,771		
26 If IRC section 1245 property:					
a Depreciation allowed or allowable after applicable date (see Instructions)	26a				
b Enter smaller of line 25 or 26a	26b				
27 If IRC section 1250 property: (If straight line depreciation was used, enter zero on line 27i)					
a Additional depreciation after 12/31/76 (see Instructions)	27a				
b Applicable percentage times the smaller of line 25 or line 27a (see Instructions)	27b				
c Line 25 minus line 27a. If residential rental property or line 25 is not more than line 27a, skip lines 27d through 27h	27c				
d Additional depreciation after 12/31/74 and before 1/1/77	27d				
e Applicable percentage times the smaller of line 27c or 27d (see Instructions)	27e				
f Line 27c minus line 27d. If line 27c is not more than line 27d, skip lines 27g and 27h	27f				
g Additional depreciation after 12/31/64 and before 1/1/75	27g				
h Applicable percentage times the smaller of line 27f or 27g (see Instructions)	27h				
i Enter line 27b, 27e, or 27h	27i	0	0	0	0
28 If IRC section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership.					
a Soil, water and land clearing expenses made after 12/31/76	28a				
b Line 28a times applicable percentage (see Instructions)	28b				
c Enter smaller of line 25 or 28b	28c				
29 If IRC section 1254 property:					
a Intangible drilling and development costs deducted after 12/31/76 (see Instructions)	29a				
b Enter smaller of line 25 or 29a	29b				
30 If IRC section 1255 property:					
a Applicable percentage of payments excluded from income under IRC section 126 (see Instructions)	30a				
b Enter smaller of line 25 or 30a	30b				

Summary of Part III Gains (Complete Property columns A through D through line 30b before going on to line 31.)

31 Total gains for all properties. Add columns A through D, line 25	31	656,296
32 Add property columns A through D, lines 26b, 27i, 28c, 29b, and 30b. Enter here and on Part II, line 14	32	
33 Line 31 minus line 32. Enter the portion from casualty or theft on federal Form 4684, line 33. Enter the portion from other than casualty or theft on Schedule D (Form 1041) line E	33	656,296

Part IV Recapture Amounts Under IRC Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less (See instructions for Part IV.)

	(a) Section 179	(b) Section 280F(b)(2)
34 IRC section 179 expense deduction or depreciation allowable in prior years	34	
35 Recomputed depreciation (see Instructions)	35	
36 If more than one property is included, enter the sum of the amounts for where to reduce	36	

Recomputed for Hawaii Depreciation and Amortization

Form **4562**

Department of the Treasury

Internal Revenue Service

(Including Information on Listed Property)

▶ Attach to your tax return.

Information about Form 4562 and its instructions is at www.irs.gov/form4562

OMB No.

2016**179**

Name(s) shown on return

Clifford Loughton

Identifying number

Business or activity to which this form relates

Rental Real Estate**Part I Election To Expense Certain Property Under Section 179**

Note: If you have any listed property, complete Part II below (and attach Part I).

1	Maximum amount (see instructions)	1	25,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	300,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Maximum amount you can deduct. Subtract line 4 from line 1. If zero or less, enter -0-	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2015 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction from 2017. Add lines 9 and 10 of 2017 return	13	

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

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

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

Part III MACRS Depreciation (Don't include listed property.) (See instructions)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2016	17	282,736
----	--	----	----------------

Section B—Assets Placed in Service During 2016 Tax Year Using the General Depreciation System

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

Section C—Assets Placed in Service During 2016 Tax Year Using the Alternative Depreciation System

20a	Class 12				S/L	
b			12 yrs.		S/L	
c			40 yrs.	MM	S/L	

Part IV Summary (See instructions)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	282,736
23	For assets shown above and placed in service during the current year, enter the	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form **4562** (2016)

Clifford Laughton

Form 4562 (2016)

Page 2

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

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (g) through (i), and Section 4, all of Section 8, and Section 12, if applicable.

Section 4—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

Do you have evidence to support the business/investment use claimed?				Yes	No	24b If "Yes," is the evidence written?			Yes	No
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost		
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)									25	
26 Property used more than 50% in a qualified business use:										
		%								
		%								
27 Property used 50% or less in a qualified business use:										
		%				S/L				
		%				S/L-				
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1									28	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1									29	

Section B—Information on Use of Vehicles

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

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

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

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

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

Note: If your answer in 37, 38, 39, or 40 is "Yes," don't complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that began during your 2016 tax year (see instructions).					
43 Amortization of costs that began before your 2016 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report.					44
					254
					254

Form **8582**Department of the Treasury
Internal Revenue Service(99)**Recomputed for Hawaii
Passive Activity Loss Limitations**

▶ See separate instructions.

▶ Attach to Form 1040 or Form 1041.

▶ Information about Form 8582 and its instructions is available at www.irs.gov/form8582.

OMB No 1545-1008

2016Attachment
OMB No **88**

Name(s) shown on return

Identifying number

Clifford Laughton**Part I 2016 Passive Activity Loss****Caution:** Complete Worksheets 1, 2, and 3 before completing Part I**Rental Real Estate Activities With Active Participation** (For the definition of active participation, see**Special Allowance for Rental Real Estate Activities** in the instructions.)

- 1a** Activities with net income (enter the amount from Worksheet 1, column (a))
- 1b** Activities with net loss (enter the amount from Worksheet 1, column (b))
- 1c** Prior years unallowed losses (enter the amount from Worksheet 1, column (c))
- d** Combine lines 1a, 1b, and 1c

1a	
1b	
1c	
1d	

1d**Commercial Revitalization Deductions From Rental Real Estate Activities**

- 2a** Commercial revitalization deductions from Worksheet 2, column (a)
- 2b** Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)
- c** Add lines 2a and 2b

2a	
2b	
2c	

2c**All Other Passive Activities**

- 3a** Activities with net income (enter the amount from Worksheet 3, column (a))
- 3b** Activities with net loss (enter the amount from Worksheet 3, column (b))
- 3c** Prior years unallowed losses (enter the amount from Worksheet 3, column (c))
- d** Combine lines 3a, 3b, and 3c

3a	883,047
3b	
3c	231,184
3d	

3d**651,863**

- 4** Combine lines 1d, 2c, and 3d. If this line is zero or more, stop here and include this form with your return; all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Report the losses on the forms and schedules normally used

4**651,863**

- If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
 - Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III
 - Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, **do not** complete

Part II or Part III. Instead, go to line 15

Part II Special Allowance for Rental Real Estate Activities With Active Participation**Note:** Enter all numbers in Part II as positive amounts. See instructions for an example.

- 5** Enter the **smaller** of the loss on line 1d or the loss on line 4
- 6** Enter \$150,000. If married filing separately, see instructions
- 7** Enter modified adjusted gross income, but not less than zero (see instructions)
Note: If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8.
- 8** Subtract line 7 from line 6
- 9** Multiply line 8 by 50% (0.5). **Do not** enter more than \$25,000. If married filing separately, see instructions
- 10** Enter the **smaller** of line 5 or line 9
If line 2c is a loss, go to Part III. Otherwise, go to line 15.

5	
7	260,829
8	

5**9****10****0****Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities****Note:** Enter all numbers in Part III as positive amounts. See the example for Part II in the instructions.

- 11** Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions
- 12** Enter the loss from line 4
- 13** Reduce line 12 by the amount on line 10
- 14** Enter the **smallest** of line 2c (treated as a positive amount), line 11, or line 13

11**12****13****14****Part IV Total Losses Allowed**

- 15** Add the income, if any, on lines 1a and 3a and enter the total
- 16** **Total losses allowed from all passive activities for 2016.** Add lines 10, 14, and 15. See instructions to find out how to report the losses on your tax return.

15**16****0**

For Paperwork Reduction Act Notice, see instructions.

Form **8582** (2016)

Clifford Laughton

5

Form 8582 (2016)

Page 2

Caution: The worksheets must be filed with your tax return. Keep a copy for your records.**Worksheet 1—For Form 8582, Lines 1a, 1b, and 1c (See instructions.)**

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 1a)	(b) Net loss (line 1b)	(c) Unallowed loss (line 1c)	(d) Gain	(e) Loss
Total. Enter on Form 8582, lines 1a, 1b, and 1c					

Worksheet 2—For Form 8582, Lines 2a and 2b (See instructions.)

Name of activity	(a) Current year deductions (line 2a)	(b) Prior year unallowed deductions (line 2b)	(c) Overall loss
Total. Enter on Form 8582, lines 2a and 2b			

Worksheet 3—For Form 8582, Lines 3a, 3b, and 3c (See instructions.)

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 3a)	(b) Net loss (line 3b)	(c) Unallowed loss (line 3c)	(d) Gain	(e) Loss
Rental Real Estate	883,047		231,184	651,863	
Total. Enter on Form 8582, lines 3a, 3b, and 3c	883,047		231,184		

Worksheet 4—Use this worksheet if an amount is shown on Form 8582, line 10 or 14 (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Special allowance	(d) Subtract column (c) from column (a)
Total			1.00		

Worksheet 5—Allocation of Unallowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Unallowed loss
Total			1.00	

Hawaii Statements**Statement 1 - Form N-11 - Other Hawaii Subtractions From Federal AGI**

Description	Amount
Hawaii Tax Refund Adjustment	\$ 2,134
Total	\$ 2,134

COPY - Do not file

STATE OF HAWAII — DEPARTMENT OF TAXATION

FORM
N-101A
 (REV. 2016)
 2016

APPLICATION FOR AUTOMATIC EXTENSION OF TIME TO FILE HAWAII INDIVIDUAL INCOME TAX RETURN

(NOTE: References to "married" and "spouse" are also references to
 "in a civil union" and "civil union partner," respectively.)

CUT HERE

Form No. 2016
N-101A
 Tax Year
2016

STATE OF HAWAII — DEPARTMENT OF TAXATION
 APPLICATION FOR AUTOMATIC EXTENSION OF TIME TO
 FILE HAWAII INDIVIDUAL INCOME TAX RETURN

DO NOT WRITE OR STAPLE IN THIS SPACE



JGT161

First time filer

DO NOT SUBMIT A PHOTOCOPY OF THIS FORM

Your first name Clifford		M.I.	Last name Laughton	
If joint return, spouse's first name		M.I.	Last name	
Present mailing or home address (Number and street, including rural route) 18124 Wedge Pkwy				Apartment Number 456
City, town, or post office Reno	State NV	Postal/ZIP Code 89511	Country	For office use only

Your Social Security Number

Spouse's Social Security Number

Tax Year Ending (MM DD YY)

12 - 31 - 16

Amount of Payment

60000.00

ID NO 20

MAIL THIS VOUCHER WITH CHECK OR MONEY ORDER
 PAYABLE TO "HAWAII STATE TAX COLLECTOR." Write your
 social security number, daytime phone number, and "2016
 Form N-101A" on your check or money order

Form N-11/N-15	Hawaii Capital Gain Tax Worksheet	2016
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em; margin-top: 5px;"></div>

Note: If your taxable income is \$48,000 or under (\$24,000 for MFS or Single; \$36,000 for Head of Household), do not use this worksheet.

<p>1. Enter your taxable income from Form N-11, line 26 (Form N-15, line 43)</p> <p>2. Enter your net long-term capital gain (Form 1040, Schedule D, line 15 or Form 1040, line 13 if Schedule D is not required)</p> <p>3. Combine your Hawaii long-term adjustments, if any</p> <p>4. Combine lines 2 and 3. This is your Hawaii net long-term capital gain</p> <p>5. Enter your net capital gain (Form 1040, Schedule D, line 16; or Form 1040, line 13 if Schedule D is not required)</p> <p>6. Combine your Hawaii short-term adjustments, if any</p> <p>7. Combine lines 3, 5, and 6 This is your Hawaii net capital gain</p> <p>8. Enter the smaller of line 4 or line 7</p> <p>9. If you are filing Form N-158, enter the amount from line 4e of Form N-158</p> <p>10. Line 8 minus line 9. If this amount is zero or less, stop here you cannot use this worksheet to figure your tax</p> <p>11. Line 1 minus line 10</p> <p>12. Enter the amount shown below for the filing status you claimed</p> <table style="width: 100%; margin-left: 40px;"> <tr> <td style="width: 30%;">Single</td> <td style="width: 20%;">\$24,000</td> <td style="width: 30%;">Married filing separately</td> <td style="width: 20%;">\$24,000</td> </tr> <tr> <td>Married filing joint or qualifying widow(er)</td> <td>\$48,000</td> <td>Head of household</td> <td>\$36,000</td> </tr> </table> <p>13. Enter the greater of line 11 or line 12</p> <p>14. Line 1 minus line 13 This is the net capital gains eligible for alternative tax.</p> <p>15. Compute the tax on the amount on line 13 using the Tax Table or Tax Rate Schedules, whichever applies</p> <p>16. Multiply line 14 by 7.25% (0.0725)</p> <p>17. Line 15 plus line 16</p> <p>18. Compute the tax on the amount on line 1 using the Tax Table or the Tax Rate Schedules, whichever applies</p> <p>19. Enter the smaller of line 17 or line 18 here and on line a of the Tax Computation Worksheet. If line 17 is smaller, enter the amount from line 14 in the space provided beside Form N-11, line 27a or Form N-15, line 44a</p>	Single	\$24,000	Married filing separately	\$24,000	Married filing joint or qualifying widow(er)	\$48,000	Head of household	\$36,000	<table style="width: 100%; border-collapse: collapse;"> <tr><td style="border-bottom: 1px solid black;">1.</td><td style="border-bottom: 1px solid black; text-align: right;">879,010</td></tr> <tr><td style="border-bottom: 1px solid black;">2.</td><td style="border-bottom: 1px solid black; text-align: right;">656,296</td></tr> <tr><td style="border-bottom: 1px solid black;">3.</td><td style="border-bottom: 1px solid black; text-align: right;">0</td></tr> <tr><td style="border-bottom: 1px solid black;">4.</td><td style="border-bottom: 1px solid black; text-align: right;">656,296</td></tr> <tr><td style="border-bottom: 1px solid black;">5.</td><td style="border-bottom: 1px solid black; text-align: right;">656,296</td></tr> <tr><td style="border-bottom: 1px solid black;">6.</td><td style="border-bottom: 1px solid black; text-align: right;">0</td></tr> <tr><td style="border-bottom: 1px solid black;">7.</td><td style="border-bottom: 1px solid black; text-align: right;">656,296</td></tr> <tr><td style="border-bottom: 1px solid black;">8.</td><td style="border-bottom: 1px solid black; text-align: right;">656,296</td></tr> <tr><td style="border-bottom: 1px solid black;">9.</td><td style="border-bottom: 1px solid black;"></td></tr> <tr><td style="border-bottom: 1px solid black;">10.</td><td style="border-bottom: 1px solid black; text-align: right;">656,296</td></tr> <tr><td style="border-bottom: 1px solid black;">11.</td><td style="border-bottom: 1px solid black; text-align: right;">222,714</td></tr> <tr><td style="border-bottom: 1px solid black;">12.</td><td style="border-bottom: 1px solid black; text-align: right;">24,000</td></tr> <tr><td colspan="2" style="height: 20px;"></td></tr> <tr><td style="border-bottom: 1px solid black;">13.</td><td style="border-bottom: 1px solid black; text-align: right;">222,714</td></tr> <tr><td style="border-bottom: 1px solid black;">14.</td><td style="border-bottom: 1px solid black; text-align: right;">656,296</td></tr> <tr><td style="border-bottom: 1px solid black;">15.</td><td style="border-bottom: 1px solid black; text-align: right;">17,628</td></tr> <tr><td style="border-bottom: 1px solid black;">16.</td><td style="border-bottom: 1px solid black; text-align: right;">47,581</td></tr> <tr><td style="border-bottom: 1px solid black;">17.</td><td style="border-bottom: 1px solid black; text-align: right;">65,209</td></tr> <tr><td style="border-bottom: 1px solid black;">18.</td><td style="border-bottom: 1px solid black; text-align: right;">71,772</td></tr> <tr><td style="border-bottom: 1px solid black;">19.</td><td style="border-bottom: 1px solid black; text-align: right;">65,209</td></tr> </table>	1.	879,010	2.	656,296	3.	0	4.	656,296	5.	656,296	6.	0	7.	656,296	8.	656,296	9.		10.	656,296	11.	222,714	12.	24,000			13.	222,714	14.	656,296	15.	17,628	16.	47,581	17.	65,209	18.	71,772	19.	65,209
Single	\$24,000	Married filing separately	\$24,000																																														
Married filing joint or qualifying widow(er)	\$48,000	Head of household	\$36,000																																														
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Form N-11	Hawaii Itemized Deductions Worksheet	2016
Name(s) as shown on Return Clifford Laughton		Your social security number [REDACTED]

Worksheet A-1 - Medical and Dental Expenses

- | | | |
|--|----|---------|
| 1. Enter amount of medical and dental expenses | 1. | |
| 2. Enter Hawaii adjusted gross income from form N-11 | 2. | 910,502 |
| 3. Multiply line 2 by 10% (10) (For taxpayers age 65 or older 7 5% (0 75)) | 3. | 68,288 |
| 4. Subtract line 3 from line 1. If line 3 is more than line 1, enter -0- (Enter the result on Form N-11 medical and dental deduction line) | 4. | |

Worksheet A-2 - Taxes You Paid

(State and local, foreign income, war profits, and excise profits tax you paid may not be deducted if federal adjusted gross income over \$100,000 if single or married filing separate, \$150,000 if head of household, or \$200,000 if married filing joint or qualified widow(er))

- | | | |
|--|----|-------|
| 5. State and local income tax (check one box only) | | |
| a Income taxes, or | | |
| b General sales taxes | 5. | |
| 6. Real estate taxes | 6. | 6,567 |
| 7. Personal property taxes | 7. | |
| 8. Other taxes | 8. | |
| 9. Add lines 5 through 8. (Enter total here and on Form N-11 taxes line) | 9. | 6,567 |

Worksheet A-3 - Interest You Paid

- | | | |
|---|-----|--------|
| 10. Home mortgage interest and points reported to you on Form 1098 | 10. | 44,368 |
| 11. Home mortgage interest not reported to you on Form 1098 | 11. | |
| 12. Points not reported to you on Form 1098. (See federal instructions for special rules) | 12. | |
| 13. Qualified mortgage insurance premiums (Deduction phased out for adjusted gross income above \$100,000 or \$50,000 if married filing separate) | 13. | |
| 14. Investment interest. Attach Form N-158 | 14. | |
| 15. Add lines 10 through 14. (Enter total here and on Form N-11 interest expense line) | 15. | 44,368 |

Worksheet A-4 - Gifts to Charity

- | | | |
|---|-----|-----|
| 16. Enter amount of gifts by cash or check (if any gift of \$250 or more state may require documentation) | 16. | |
| 17. Other than by cash or check (Attach statement if over \$500) | 17. | 580 |
| 18. Carryover from 2015 | 18. | |
| 19. Add lines 16 through 18 (Enter total here and on Form N-11 contributions line) | 19. | 580 |

Worksheet A-5 - Casualties and Thefts

- | | | |
|--|-----|---------|
| 20. Total casualty or theft loss(es) from Form 4684 line 16 | 20. | |
| 21. Enter Hawaii adjusted gross income from N-11 | 21. | 910,502 |
| 22. Enter 10% of your Hawaii adjusted gross income | 22. | 91,050 |
| 23. Line 20 minus line 22 (If zero or less, stop here. Otherwise enter amount on Form N-11 casualty and theft loss line) | 23. | 0 |

Worksheet A-6 - Miscellaneous Deductions

- | | | |
|---|-----|---------|
| 24. Unreimbursed employee expenses (Attach federal Form 2106 or 2106EZ) | 24. | |
| 25. Tax preparation fees | 25. | |
| 26. Other expenses | 26. | |
| 27. Add lines 24 through 26 | 27. | |
| 28. Enter Hawaii adjusted gross income from N-11 | 28. | 910,502 |
| 29. Multiply line 28 by 2% (02) | 29. | 18,210 |
| 30. Line 27 minus line 29 (Enter the result but not less than zero) | 30. | 0 |
| 31. Other deductions not subject to 2% AGI limit | 31. | |
| 32. Add lines 30 and 31. (Enter total here and on Form N-11 miscellaneous deduction line) | 32. | |
| 33. Total Deductions (Add lines 4, 9, 15, 19, 23 and 32) | 33. | 51,515 |

Hawaii itemized deductions may be limited by Hawaii adjusted gross income.
Please review the Itemized Deduction Limitation Worksheet for the eligible amount.

Form N-11/N-15	Hawaii Limited Deductions Worksheet	2016
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em;"></div>

Itemized Deduction Limitation Worksheet**Summary of Itemized Deductions:**

a. Medical and dental expenses	a. <u>6,567</u>
b. Taxes	b. <u>44,368</u>
c. Interest	c. <u>580</u>
d. Contributions	d. <u></u>
e. Casualty and theft losses	e. <u></u>
f. Miscellaneous deductions	f. <u></u>

Compute Limitation (if applicable):

1. Enter the amount of total itemized deductions	1. <u>51,515</u>
2. Deduction subject to limit (Medical expense, investment interest, casualty loss, and gambling losses)	2. <u></u>
3. Line 1 minus line 2 (If the result is zero or less, enter the amount from line 1 on line 10)	3. <u>51,515</u>
4. Multiply line 3 above by 80% (0.80)	4. <u>41,212</u>
5. Enter the Hawaii adjusted gross income	5. <u>910,502</u>
6. Enter \$166,800 (\$83,400 if married filing separately)	6. <u>166,800</u>
7. Line 5 minus line 6. (If the result is zero or less, enter the amount from line 1 of this worksheet on N-11, line 22. Do not complete the rest of this worksheet)	7. <u>743,702</u>
8. Multiply line 7 above by 3% (.03)	8. <u>22,311</u>
9. Enter the smaller of line 4 or 8	9. <u>22,311</u>
10. Total itemized deductions (Line 1 minus line 9. Enter the result here and on N-11, line 22)	10. <u>29,204</u>

Form N-11/N-15	Recompu Hawaii Passive Activity Deduction Worksheet	2016
--------------------------	--	-------------

Name Clifford Laughton	Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 15px;"></div>
Activity Rental Real Estate	Form Sch C Unit 1
Type Other passive	Entire Disposition of Activity _____

	Prior Year Suspended Losses	2016 Generated	2016 Utilized	Suspended Losses To 2017
Operating	231,184		231,184	
Capital gains or losses - Short-term				
Capital gains or losses - Long-term				
Schedule D-1 - Part I				
Schedule D-1 - Part II				
Other Losses				

Form N-11/N-15	Hawaii State Tax Refund Worksheet	2016
Name Clifford Laughton		Taxpayer Identification Number <div style="background-color: black; width: 100px; height: 1.2em; margin-top: 5px;"></div>

1. Enter your Hawaii state tax overpayment from your 2015 Form N-11 or Form N-15

Do not enter more than the state and local taxes on 2015 Itemized Deduction Worksheet

1. _____

2. Refundable credits from 2015 (Food/excise, low-income household renter, child and dependent care, child passenger restraint, residential construction and remodeling carryover)

2. _____

3. Subtract line 2 from line 1. If zero or less, enter - 0 -

3. _____

4. Enter your Standard or Itemized deduction from 2015

4. _____

5. Enter your eligible standard deduction from 2015

5. _____

Single \$2,200

Married filing separately \$2,200

Married filing joint

Head of household \$3,212

or qualifying widow(er) \$4,400

Form N-15 Ratio (Prior year) _____

6. Subtract line 5 from line 4. If zero or less, enter - 0 -

6. _____

7. Enter the lesser of line 3 or line 6

7. _____

Form N-11 Filers

8. Enter the taxable amount of your refund as reported on your 2016 federal tax return

8. 2,134

9a. If line 7 is greater than line 8, subtract line 8 from line 7. This is your addition to income.

9a. _____

9b. If line 8 is greater than line 7, subtract line 7 from line 8. This is your subtraction to income

9b. 2,134

Form N-15 Filers

8. Compare lines 3 and 7. Enter the smaller here and as the taxable refund on line 10 (Form N-15-column A and B)

8. _____

Hawaii Statements

Hawaii Schedule D-1, Line 3 - Unrecaptured Section 1250 Gains

Desc	Date		Sales Price	Dep Allowed	Basis	Gain or Loss	Post-May 5 Gain(Loss)
	Date Acq	Date Sold					
Parking Stall	9/19/12	4/20/16	\$ 123,525	\$ 10,291	\$ 10,291	\$	10,291
Building Units	9/19/12	4/20/16	532,771	60,829	60,829	\$	60,829
Total						0	71,120

Hawaii StatementsItemized Deduction Worksheet - Noncash Contributions

<u>Description</u>	<u>Amount</u>
50% Contrib from 8283	\$ 580
Total	\$ 580

FYE: 12/31/2016

HI Asset Report Rental Real Estate

Asset	Description	Date In Service	Cost	Basis for Depr	HI Prior	HI Current	Federal Current	Difference Fed - HI
<u>Prior MISSES:</u>								
1	Parking Stalls	9/19/12	1,960,035	1,960,035	165,430	50,258	50,258	0
2	Building Units	9/19/12	6,233,972	6,233,972	746,188	226,689	226,689	0
4	Parking Stall	9/19/12	112,002	112,002	9,453	838	838	0
	Sold/Scrapped: 4/20/16							
5	Building Units	9/19/12	466,831	466,831	55,878	4,951	4,951	0
	Sold/Scrapped: 4/20/16							
			<u>8,772,840</u>	<u>8,772,840</u>	<u>976,949</u>	<u>282,736</u>	<u>282,736</u>	<u>0</u>
<u>Amortization:</u>								
3	Startup Legal Fees	9/20/12	3,800	3,800	844	254	254	0
			<u>3,800</u>	<u>3,800</u>	<u>844</u>	<u>254</u>	<u>254</u>	<u>0</u>
Grand Totals			8,776,640	8,776,640	977,793	282,990	282,990	0
Less: Dispositions			578,833	578,833	65,331	5,789	5,789	0
Less: Start-up/Org Expense			0	0	0	0	0	0
Net Grand Totals			<u>8,197,807</u>	<u>8,197,807</u>	<u>912,462</u>	<u>277,201</u>	<u>277,201</u>	<u>0</u>

FORM
N-200V
(Rev. 2017)

STATE OF HAWAII — DEPARTMENT OF TAXATION
INDIVIDUAL INCOME TAX PAYMENT VOUCHER

2017

(NOTE: References to "married" and "spouse" are also references to
"in a civil union" and "civil union partner," respectively.)

Hawaii Department of Taxation
Attn: Payment Section
P.O. Box 1530
Honolulu, Hawaii 96806-1530

Note: If you filed electronically, but are not paying
electronically, attach your check or money order to the front
of Form N-200V and send them to the above mailing address

Form (Rev. 2017) Tax Year
N-200V 2017

STATE OF HAWAII — DEPARTMENT OF TAXATION
INDIVIDUAL INCOME TAX PAYMENT VOUCHER

DO NOT WRITE OR STAPLE IN THIS SPACE



DO NOT SUBMIT A PHOTOCOPY OF THIS FORM

JHT171

First time filer

Your first name Clifford		M.I.	Last name Laughton	
If joint return, spouse's first name		M.I.	Last name	
Present mailing or home address (Number and street, including rural route) 18124 Wedge Pkwy				Apartment Number 456
City, town, or post office Reno	State NV	Postal/ZIP Code 89511	Country	For office use only

Your Social Security Number

Spouse's Social Security Number

Amount of Payment

ID NO 20

MAIL THIS VOUCHER WITH CHECK OR MONEY ORDER PAYABLE TO
"HAWAII STATE TAX COLLECTOR." Write your social security number,
daytime phone number, "2017," and form number of the tax return you
are filing (e.g., "2017 Form N-11") on your check or money order

18948.00



JBT171

FORM
N-11
(Rev. 2017)

STATE OF HAWAII — DEPARTMENT OF TAXATION

Individual Income Tax Return**RESIDENT****Calendar Year 2017****OR****AMENDED Return**
NOL Carryback
IRS Adjustment**Fiscal Year**
Beginning**and Ending**

FOR OFFICE USE ONLY

Do NOT Submit a Photocopy!!

Place an X in applicable box, if appropriate

First Time Filer

Address or Name Change

◆ **IMPORTANT — Complete this Section** ◆

Your First Name Clifford	MI	Your Last Name Laughton	Suffix
Spouse's First Name	MI	Spouse's Last Name	Suffix
Care Of (See Instructions, page 7.)			
Present mailing or home address (Number and street, including Rural Route) 18124 Wedge Pkwy APT 456			
City, town or post office Reno	State NV	Postal/ZIP code 89511	
If foreign address, enter Province and/or State		Country	

Enter the first four letters
of your last name.
Use **ALL CAPITAL** letters**LAUG**Your Social
Security Number

Deceased

Date of Death

Enter the first four letters
of your Spouse's last name.
Use **ALL CAPITAL** lettersSpouse's Social
Security Number

Deceased

Date of Death

(Place an X in only **ONE** box)

- 1 ☒ Single
- 2 Married filing joint return (even if only one had income).
- 3 Married filing separate return. Enter spouse's SSN and the first four letters of last name above. Enter spouse's full name here.

4

Head of household (with qualifying person). If the qualifying person is a child but not your dependent, enter the child's full name. ⑥

5

Qualifying widow(er) with dependent child. Enter the year your spouse died

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X above line 216a ☒ Yourself
6b Spouse☒ Age 65 or over
Age 65 or over} Enter the number of Xs
on 6a and 6b

2

If you placed an X on lines 3 and 6b above, see the Instructions on page 9 and if your spouse meets the qualifications, place an X here

Dependents:	If more than 4 dependents use attachment	2 Dependent's social security number	3 Relationship
1 First and last name			

Enter number of
your children listed

6c ①

Enter number of
other dependents

6d ①

6e Total number of exemptions claimed. Add numbers entered in boxes 6a thru 6d above
ID NO 20

6e ①

2



JBT172

Form N-11 (Rev. 2017)

Your Social Security Number

Your Spouse's SSN

Page 2 of 4

Name(s) as shown on return

Clifford Laughton

ROUND TO THE NEAREST DOLLAR

7	Federal adjusted gross income (AGI) (see page 12 of the Instructions)	7	785542
8	Difference in state/federal wages due to COLA, ERS, etc. (see page 12 of the Instructions)	8	
9	Interest on out-of-state bonds (including municipal bonds)	9	
10	Other Hawaii additions to federal AGI (see page 12 of the Instructions)	10	
11	Add lines 8 through 10 Total Hawaii additions to federal AGI	11	
12	Add lines 7 and 11	12	785542
13	Pensions taxed federally but not taxed by Hawaii (see page 14 of the Instructions)	13	
14	Social security benefits taxed on federal return	14	27036
15	First \$6,410 of military reserve or Hawaii national guard duty pay	15	
16	Payments to an individual housing account	16	
17	Exceptional trees deduction (attach affidavit) (see page 15 of the Instructions)	17	
18	Other Hawaii subtractions from federal AGI (see page 15 of the Instructions) Stmt 1 X	18	43712
19	Add lines 13 through 18 Total Hawaii subtractions from federal AGI	19	70748
20	Line 12 minus line 19 Hawaii AGI	20	714794

CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 16, and place an X here

21 If you do not itemize your deductions, go to line 23 below. Otherwise go to page 17 of the Instructions and enter your itemized deductions here.

21a Medical and dental expenses (from Worksheet A-1)

21a

21b Taxes (from Worksheet A-2)

21b

7554

21c Interest expense (from Worksheet A-3)

21c

43923

21d Contributions (from Worksheet A-4)

21d

750

21e Casualty and theft losses (from Worksheet A-5)

21e

21f Miscellaneous deductions (from Worksheet A-6)

21f

23 If you checked filing status box: 1 or 3 enter \$2,200; 2 or 5 enter \$4,400; 4 enter \$3,212

Standard Deduction © 23

24 Line 20 minus line 22 or 23, whichever applies. (This line MUST be filled in)

24

679007

TOTAL ITEMIZED DEDUCTIONS

22 Add lines 21a through 21f. If your Hawaii adjusted gross income is above a certain amount, you may not be able to deduct all of your itemized deductions. See the instructions on page 22. Enter total here and go to line 24.

35787

ID NO 20



JBT173

Form N-11 (Rev. 2017)

Your Social Security Number

Your Spouse's SSN

Page 3 of 4

Name(s) as shown on return

Clifford Laughton

25 Multiply \$1,144 by the total number of exemptions claimed on line 6e.

If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es), and see page 22 of the Instructions.

Yourselves	Spouse	25	2288
------------	--------	----	------

26 Taxable Income. Line 24 minus line 25 (but not less than zero)

Taxable Income © 26

676719

27 Tax. Place an X if from Tax Table; Tax Rate Schedule; or ☒ Capital Gains Tax Worksheet on page 39 of the Instructions.

(Place an X if tax from Forms N-2, N-103, N-152, N-168, N-312, N-338, N-344, N-348, N-405, N-586, N-615, or N-814 is included.)

Tax © 27

53654

27a If tax is from the Capital Gains Tax Worksheet, enter

the net capital gain from line 14 of that worksheet ... 27a

143028

28 Refundable Food/Excise Tax Credit

(attach Form N-311) DHS, etc. exemptions 28

29 Credit for Low-Income Household

Renters (attach Schedule X) 29

30 Credit for Child and Dependent

Care Expenses (attach Schedule X) 30

31 Credit for Child Passenger Restraint

System(s) (attach a copy of the invoice) 31

32 Total refundable tax credits from

Schedule CR (attach Schedule CR) 32

33 Add lines 28 through 32

Total Refundable Credits © 33

53654

34 Line 27 minus line 33. If line 34 is zero or less, see Instructions

34

35 Total nonrefundable tax credits (attach Schedule CR)

35

36 Line 34 minus line 35

Balance © 36

53654

37 Hawaii State Income tax withheld (attach W-2s)

(see page 28 of the Instructions for other attachments) 37

19133

38 2017 estimated tax payments

38

39 Amount of estimated tax applied from 2016 return

39

19240

40 Amount paid with extension

40

41 Add lines 37 through 40

Total Payments © 41

38373

42 If line 41 is larger than line 36, enter the amount OVERPAID (line 41 minus line 36) (see Instructions) 42

43 Contributions to (see page 28 of the Instructions):

Yourself

Spouse

43a Hawaii Schools Repairs and Maintenance Fund \$2 \$2

43b Hawaii Public Libraries Fund \$2 \$2

43c Domestic and Sexual Violence / Child Abuse and Neglect Funds \$5 \$5

44 Add the amounts of the Xs on lines 43a through 43c and enter the total here

44

45 Line 42 minus line 44

45

ID NO 20



Form N-11 (Rev. 2017)

Page 4 of 4

Your Social Security Number

Your Spouse's SSN

JBT174

Name(s) as shown on return

Clifford Laughton

46 Amount of line 45 to be applied to your

2018 ESTIMATED TAX

46

47a Amount to be REFUNDED TO YOU (line 45 minus line 46) If filing late,
see page 29 of Instructions

47a

Place an X in this box if this refund will ultimately be deposited to a foreign (non-U.S.) bank. Do not complete lines 47b, 47c, or 47d

47b Routing number

47c Type:

Checking

Savings

47d Account number

48 AMOUNT YOU OWE (line 46 minus line 41) Send Form N-200V with your payment.

Make check or money order payable to the "Hawaii State Tax Collector"

48

15281

49 Estimated tax penalty. (See page 30 of
Instructions.) Do not include on line 42 or 48. Place an X in
this box if Form N-210 is attached ⑥

49

50 AMENDED RETURN ONLY -- Amount paid (overpaid) on original return. (See Instructions) (attach Sch. AMD) 50

51 AMENDED RETURN ONLY -- Balance due (refund) with amended return. (See Instructions) (attach Sch. AMD) 51

52 Did you file a federal Schedule C? ☒ Yes ☐ No

If yes, enter Hawaii gross receipts

2165981

your main business activity:

Rental Real Estate

your main business product:

Residential Prop.

AND your HI Tax I.D. No. for this activity

GE

099-413-4016-01

53 Did you file a federal Schedule E
for any rental activity?Yes ☒ No

If yes, enter Hawaii gross rents received

AND your HI Tax I.D. No. for this activity

GE

54 Did you file a federal Schedule F? ☒ Yes ☐ No

If yes, enter Hawaii gross receipts

your main business activity:

Greystone Vineyard

your main business product:

Wine Grapes

AND your HI Tax I.D. No. for this activity

GE

DESIGNEE If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 31 of the Instructions.

Designee's name: ⑥ Reid Tatsuguchi

Phone number: ⑥ 808-589-2100

Identification number: ⑥ P00194634

HAWAII ELECTION
CAMPAIGN FUND

Do you want \$3 to go to the Hawaii Election Campaign Fund?

Yes

No

Note: Placing an X in the "Yes"

(See page 31 of the Instructions)

If joint return, does your spouse want \$3 to go to the fund?

Yes

No

or reduce refund

DECLARATION — I declare, under the penalties set forth in section 231-36, HRS, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS

Your signature

Date

Spouse's signature (if filing jointly, BOTH must sign)

Date

⑥

⑥

Your Occupation

Daytime Phone Number

Your Spouse's Occupation

Daytime Phone Number

Administrator

Paid

Preparer's

⑥ Reid Tatsuguchi

Date

10/11/18

Check if

self-employed ⑥

Preparer's identification number

P00194634

Preparer's
InformationPrint
Preparer's Name

⑥ Reid Tatsuguchi

Federal E.I. No.

⑥ 20-1767081

Firm's name (or yours
if self-employed)
Address, and ZIP code⑥ Tatsuguchi CPA LLC
1314 S King St Ste 662

Phone No.

⑥ 808-589-2100

Honolulu, HI 96814-1941

ID NO 20

FORM N-11

**Schedule
D-1
(Rev. 2017)**

STATE OF HAWAII — DEPARTMENT OF TAXATION
Sales of Business Property
 (Also Involuntary Conversions and Recapture Amounts Under
 IRC Sections 179 and 280F(b)(2))

2017

© To be filed with Form N-15, N-20, N-30, N-35, N-40, etc. — See separate instructions, including those for N-11 or N-15
CAUTION: Do not confuse this schedule with the federal Schedule D-1.

Name(s) as shown on tax return

Social Security Number or Federal Employer I.D. No.

Clifford Laughton

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty and Theft — Most Property Held More Than 1 Year

Notes:

- Use federal Form 4684 to report involuntary conversions from casualty and theft.
- File federal Form 4795 if you are reporting a loss and have entered the section 179 election in which you are not at risk. (See Instructions Under "Part III, line 4.")
- Complete federal Form 1042 before you complete Schedule D-1 if you are reporting a loss from a passive activity. (See Instructions Under "Passive Activity Limitations.")

1 Enter the gross proceeds from sales or exchanges reported to you for 2017 on federal Form(s) 1099-B or 1099-S (or a substitute statement) that you will be including on line 2 (Column d), line 11 (Column d), or line 21

(a) Description of property

(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed (or otherwise) used on property	(f) Cost of other assets, plus involuntary and capital gain or loss	(g) LOSS (f) minus the sum of (e) and (f)	(h) GAIN (d) plus (e) minus (f)
2						

3 Gain, if any, from federal Form 4684, line 39

4 IRC section 1231 gain from installment sales from federal Form 6252, line 26 or 37

5 IRC section 1231 gain or (loss) from like-kind exchanges from federal Form 8824

6 Gain, if any, from Part III, line 33, from other than casualty or theft

7 Add lines 2 through 6 in columns (g) and (h)

8 Combine columns (g) and (h) of line 7. Enter gain or (loss) here, and on the appropriate line as follows: *Partnerships*

on N-20, Sch. K, line 10; S corps on N-35, Sch. K, line 9. Skip lines 9, 10, 12 & 13

If line 8 is zero or a loss, enter the amount on line 12 below and skip lines 9 and 10. If line 8 is a gain and you did not have any prior year IRC section 1231 losses, or they were recaptured in an earlier year, enter the gain as a long-term capital gain on Schedule D for your return or on the Capital Gain/Loss Worksheet in the Form N-15 Instructions and skip lines 9, 10, 12, and 13, below

9 Nonrecaptured net IRC section 1231 losses from prior years (see Instructions)

10 Line 8 minus line 9. If zero or less, enter zero

If line 10 is zero, enter the amount from line 8 on line 13 below. If line 10 is more than zero, enter the amount from line 9 on line 13 below, and enter the amount from line 10 as a long-term capital gain on Schedule D for your return or on the Capital Gain/Loss Worksheet in the Form N-15 Instructions. (See specific Instructions for line 10.)

Part II Ordinary Gains and Losses

11 Ordinary gains and losses not included on lines 12 through 17 (include property held 1 year or less)

12 Loss, if any, from line 8

13 Gain, if any, from line 8, or amount from line 9 if applicable

14 Gain, if any, from Part III, line 32

15 Net gain or (loss) from federal Form 4684, lines 31 and 38a

16 Ordinary gain from installment sales from federal Form 6252, line 25 or 36

17 Ordinary gain or (loss) from like-kind exchanges from federal Form 8824

18 Add lines 11 through 17 in columns (g) and (h)

19 Combine columns (g) and (h) of line 18. Enter gain or (loss) here, and on the appropriate line as follows:

a For all except individual returns: Enter the gain or (loss) from line 19, on the return being filed. (Form N-30, etc.)

b For individual return, Form N-15, see below. See instructions for Form N-11

- (1) If the loss on line 12 includes a loss from federal Form 4684, line 35, column (b) (ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Worksheet A-6, line 30, in the Form N-11 Instructions or on Worksheet NR-6, line 31 or 32, or on Worksheet PY-6, line 57 or 58 in the Form N-15 Instructions; and the part of the loss from property used as an employee on Worksheet A-6, line 25, on Worksheet NR-6, line 25 or 26, or on Worksheet PY-6, line 48 or 49. Identify as from "Schedule D-1, line 19b(1)"
- (2) Redetermine the gain or (loss) on line 19, excluding the loss (if any) on line 19b(1). Enter here and on Form N-15, line 14

19

19b(1)

19b(2)

Clifford Laughton

Schedule D-1 (Rev. 2017)

PAGE 2

Part III Gain from Disposition of Property Under IRC Sections 1245, 1250, 1252, 1254, and 1255

20 (a) Description of IRC sections 1245, 1250, 1252, 1254, or 1255 property:	Disposal date	Disposal date
A Parking Stalls	09/19/12	01/17/17
B Building Units	09/19/12	01/17/17
C		
D		

Relate lines 20A through 20D to these columns		Property A	Property B	Property C	Property D
21 Gross sales price (Note: See line 1 before completing.)	21	45,950	204,050		
22 Cost or other basis plus expense of sale	22	22,447	99,659		
23 Depreciation (or depletion) allowed or allowable	23	2,069	13,065		
24 Adjusted basis. Line 22 minus line 23	24	20,378	86,594		
25 Total gain. Line 21 minus line 24	25	25,572	117,456		
26 If IRC section 1245 property:					
a Depreciation allowed or allowable after applicable date (see Instructions)	26a				
b Enter smaller of line 25 or 26a	26b				
27 If IRC section 1250 property: (If straight line depreciation was used, enter zero on line 27i)					
a Additional depreciation after 12/31/76 (see Instructions)	27a				
b Applicable percentage times the smaller of line 25 or line 27a (see Instructions)	27b				
c Line 25 minus line 27a. If residential rental property or line 25 is not more than line 27a, skip lines 27d through 27h	27c				
d Additional depreciation after 12/31/74 and before 1/1/77	27d				
e Applicable percentage times the smaller of line 27c or 27d (see Instructions)	27e				
f Line 27c minus line 27d. If line 27c is not more than line 27d, skip lines 27g and 27h	27f				
g Additional depreciation after 12/31/64 and before 1/1/75	27g				
h Applicable percentage times the smaller of line 27f or 27g (see Instructions)	27h				
i Add line 27a, 27b, and 27h	27i	0	0	0	0
28 If IRC section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership					
a Soil, water and land clearing expenses made after 12/31/76	28a				
b Line 28a times applicable percentage (see Instructions)	28b				
c Enter smaller of line 25 or 28b	28c				
29 If IRC section 1254 property:					
a Intangible drilling and development costs deducted after 12/31/76 (see Instructions)	29a				
b Enter smaller of line 25 or 29a	29b				
30 If IRC section 1255 property:					
a Applicable percentage of payments excluded from income under IRC section 126 (see Instructions)	30a				
b Enter smaller of line 25 or 30a	30b				

Summary of Part III Gains (Complete Property columns A through D through line 30b before going on to line 31.)

31 Total gains for all properties. Add columns A through D, line 25	31	143,028
32 Add property columns A through D, lines 26b, 27i, 28c, 29b, and 30b. Enter here and on Part II, line 14	32	
33 Line 31 minus line 32. Enter the portion from casualty or theft on federal Form 4684, line 33. Enter the portion from other than casualty or theft on Schedule D (Form 1041), line 8	33	143,028

Part IV Recapture Amounts Under IRC Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less (See Instructions for Part IV.)

	(a) Section 179	(b) Section 280F(b)(2)
34 IRC section 179 expense deduction or depreciation allowable in prior years	34	
35 Recomputed depreciation (see Instructions)	35	
36 Recapture amount. (Line 34 minus line 35) (See Instructions for where to report)	36	

Recomputed for Hawaii Depreciation and Amortization

Form **4562**

Department of the Treasury

(Including Information on Listed Property)

◆ Attach to your tax return.

◆ Go to www.irs.gov/form4562 for instructions and the latest information.

OMB No. 1545-0172

2017

Attachment

179

Name(s) shown on return

Clifford Laughton

Identifying number

Business or activity to which this form relates

Rental Real Estate

Part I Election To Expense Certain Property Under Section 179

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

1	Maximum amount (see instructions)	1	25,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions.	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2016 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2018. Add lines 9 and 10, less line 12	13	

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

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

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

Part III MACRS Depreciation (Don't include listed property.) (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2017	17	273,600
18	If you are deprecating any assets placed in service during the tax year into one or more general asset accounts, check two		

Section B—Assets Placed in Service During 2017 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			27.5 yrs.	MM	S/L	
			39 yrs.	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2017 Tax Year Using the Alternative Depreciation System

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

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions.	22	273,600
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form **4562** (2017)

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

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

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

24a Do you use the vehicle for business/investment use claimed?				Yes	No	24b If "Yes," is the evidence written?				Yes	No
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost			
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)								25			
26 Property used more than 50% in a qualified business use:											
		%									
		%									
27 Property used 50% or less in a qualified business use:											
		%				S/L-					
		%				S/L-					
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1								28			
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1										29	

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles

to your spouse, you must answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

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

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

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

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

Note: If you answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2017 tax year (see instructions):					
43 Amortization of costs that began before your 2017 tax year					43
44 Total cost amounts in column (c). See the instructions for where to report.					44
					253
					253

Hawaii Statements**Statement 1 - Form N-11 - Other Hawaii Subtractions From Federal AGI**

Description	Amount
Hawaii Tax Refund Adjustment	\$ 43,712
Total	\$ 43,712

COPY - Do not file

STATE OF HAWAII — DEPARTMENT OF TAXATION

FORM
N-101A
 (REV. 2016)
2016

APPLICATION FOR AUTOMATIC EXTENSION OF TIME TO FILE HAWAII INDIVIDUAL INCOME TAX RETURN

(NOTE: References to "married" and "spouse" are also references to
 "in a civil union" and "civil union partner," respectively.)

CUT HERE

Form (rev. 2016) Tax Year
N-101A 2016

STATE OF HAWAII — DEPARTMENT OF TAXATION
 APPLICATION FOR AUTOMATIC EXTENSION OF TIME TO
 FILE HAWAII INDIVIDUAL INCOME TAX RETURN

DO NOT WRITE OR STAPLE IN THIS SPACE



DO NOT SUBMIT A PHOTOCOPY OF THIS FORM

JGT161

First time filer

Your first name Clifford		M.I.	Last name Laughton	
If joint return, spouse's first name		M.I.	Last name	
Present mailing or home address (Number and street, including rural route) 18124 Wedge Pkwy				Apartment Number 456
City, town, or post office Reno	State NV	Postal/ZIP Code 89511	Country	For office use only

Your Social Security Number

Spouse's Social Security Number

Tax Year Ending (MM DD YY)

12 - 31 - 17

Amount of Payment

.00

ID NO 20

MAIL THIS VOUCHER WITH CHECK OR MONEY ORDER
 PAYABLE TO "HAWAII STATE TAX COLLECTOR." Write your
 social security number, daytime phone number, and "2016
 Form N-101A" on your check or money order

Form
N-11/N-15**Hawaii Capital Gain Tax Worksheet****2017**

Name

Clifford Laughton

Taxpayer Identification Number

Note: If your taxable income is \$48,000 or under (\$24,000 for MFS or Single; \$36,000 for Head of Household), do not use this worksheet.

- | | | |
|---|-----|----------------|
| 1. Enter your taxable income from Form N-11, line 26 (Form N-15, line 43) | 1. | 676,719 |
| 2. Enter your net long-term capital gain (Form 1040, Schedule D, line 15 or Form 1040, line 13 if Schedule D is not required) | 2. | 143,028 |
| 3. Combine your Hawaii long-term adjustments, if any | 3. | 0 |
| 4. Combine lines 2 and 3. This is your Hawaii net long-term capital gain | 4. | 143,028 |
| 5. Enter your net capital gain (Form 1040, Schedule D, line 16; or Form 1040, line 13 if Schedule D is not required) | 5. | 143,028 |
| 6. Combine your Hawaii short-term adjustments, if any | 6. | 0 |
| 7. Combine lines 3, 5, and 6. This is your Hawaii net capital gain | 7. | 143,028 |
| 8. Enter the smaller of line 4 or line 7 | 8. | 143,028 |
| 9. If you are filing Form N-158, enter the amount from line 4e of Form N-158 | 9. | |
| 10. Line 8 minus line 9. If this amount is zero or less, stop here you cannot use this worksheet to figure your tax | 10. | 143,028 |
| 11. Line 1 minus line 10 | 11. | 533,691 |
| 12. Enter the amount shown below for the filing status you claimed | 12. | 24,000 |
| <div style="display: flex; justify-content: space-between;"> <div>Single</div> <div>\$24,000</div> <div>Married filing separately</div> <div>\$24,000</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Married filing joint
or qualifying widow(er)</div> <div>\$48,000</div> <div>Head of household</div> <div>\$36,000</div> </div> | | |
| 13. Enter the greater of line 11 or line 12 | 13. | 533,691 |
| 14. Line 1 minus line 13. This is the net capital gains eligible for alternative tax. | 14. | 143,028 |
| 15. Compute the tax on the amount on line 13 using the Tax Table or Tax Rate Schedules, whichever applies | 15. | 43,284 |
| 16. Multiply line 14 by 7.25% (0.0725) | 16. | 10,370 |
| 17. Line 15 plus line 16 | 17. | 53,654 |
| 18. Compute the tax on the amount on line 1 using the Tax Table or the Tax Rate Schedules, whichever applies | 18. | 55,083 |
| 19. Enter the smaller of line 17 or line 18 here and on line a of the Tax Computation Worksheet. If line 17 is smaller, enter the amount from line 14 in the space provided beside Form N-11, line 27a or Form N-15, line 44a | 19. | 53,654 |

Form N-11	Hawaii Itemized Deductions Worksheet	2017
Name(s) as shown on Return Clifford Laughton		Your social security number <div style="background-color: black; width: 100px; height: 1.2em; margin: 0;"></div>

Worksheet A-1 - Medical and Dental Expenses

- | | | |
|---|----|---------|
| 1. Enter amount of medical and dental expenses | 1. | |
| 2. Enter Hawaii adjusted gross income from form N-11 | 2. | 714,794 |
| 3. Multiply line 2 by 10% (.10) | 3. | 71,479 |
| 4. Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-. (Enter the result on Form N-11 medical and dental deduction line) | 4. | |

Worksheet A-2 - Taxes You Paid (State and local, foreign income, war profits, and excise profits tax you paid may not be deducted if federal adjusted gross income over \$100,000 if single or married filing separate, \$150,000 if head of household, or \$200,000 if married filing joint or qualified widow(er))

- | | | |
|--|----|-------|
| 5. State and local income tax (check one box only) | | |
| a Income taxes, or | | |
| b General sales taxes | 5. | |
| 6. Real estate taxes | 6. | 7,554 |
| 7. Personal property taxes | 7. | |
| 8. Other taxes | 8. | |
| 9. Add lines 5 through 8. (Enter total here and on Form N-11 taxes line) | 9. | 7,554 |

Worksheet A-3 - Interest You Paid

- | | | |
|---|-----|--------|
| 10. Home mortgage interest and points reported to you on Form 1098 | 10. | 43,923 |
| 11. Home mortgage interest not reported to you on Form 1098 | 11. | |
| 12. Points not reported to you on Form 1098. (See federal instructions for special rules) | 12. | |
| 13. Investment interest. Attach Form N-158 | 13. | |
| 14. Add lines 10 through 13. (Enter total here and on Form N-11 interest expense line) | 14. | 43,923 |

Worksheet A-4 - Gifts to Charity

- | | | |
|---|-----|-----|
| 15. Enter amount of gifts by cash or check (if any gift of \$250 or more state may require documentation) | 15. | |
| 16. Other than by cash or check (Attach statement if over \$500) | 16. | 750 |
| 17. Carryover from 2016 | 17. | |
| 18. Add lines 15 through 17 (Enter total here and on Form N-11 contributions line) | 18. | 750 |

Worksheet A-5 - Casualties and Thefts

- | | | |
|--|-----|---------|
| 19. Total casualty or theft loss(es) from Form 4684 line 16 | 19. | |
| 20. Enter Hawaii adjusted gross income from N-11 | 20. | 714,794 |
| 21. Enter 10% of your Hawaii adjusted gross income | 21. | 71,479 |
| 22. Line 19 minus line 21 (If zero or less, stop here. Otherwise enter amount on Form N-11 casualty and theft loss line) | 22. | 0 |

Worksheet A-6 - Miscellaneous Deductions

- | | | |
|---|-----|---------|
| 23. Unreimbursed employee expenses (Attach federal Form 2106 or 2106EZ) | 23. | |
| 24. Tax preparation fees | 24. | 786 |
| 25. Other expenses | 25. | |
| 26. Add lines 23 through 25 | 26. | 786 |
| 27. Enter Hawaii adjusted gross income from N-11 | 27. | 714,794 |
| 28. Multiply line 26 by 2% (.02) | 28. | 14,296 |
| 29. Line 26 minus line 28 (Enter the result but not less than zero) | 29. | 0 |
| 30. Other deductions not subject to 2% AGI limit | 30. | |
| 31. Add lines 29 and 30. (Enter total here and on Form N-11 miscellaneous deduction line) | 31. | |
| 32. Total Deductions (Add lines 4, 9, 14, 18, 22 and 31) | 32. | 52,227 |

Hawaii itemized deductions may be limited by Hawaii adjusted gross income.
Please review the Itemized Deduction Limitation Worksheet for the eligible amount.

Form N-11/N-15	Hawaii Late Filing Interest and Penalty Worksheets	2017
Name Clifford Laughton		Taxpayer Identification Number [REDACTED]

Late Payment Interest Worksheet

Description	Amount	Balance	# of Months	Interest Rate %	Interest Amount
Tax Due - 4/20/18	15,281	15,281			
4/21/18 - 10/15/18		15,281	6	8.00	611
Date Filed - 10/15/18		15,892			
Total Late Payment Interest					611

Failure to Pay Worksheet

Description	Amount	Balance	# of Months	Penalty Rate %	Penalty Amount
Return Due - 4/20/18		15,281			
4/21/18 - 10/15/18		15,281		20.00	3,056
Date Filed - 10/15/18		18,337			
Total Late Payment Penalty					3,056

Failure to File Penalty Worksheet

Failure to File Penalty Worksheet			# of Months	Penalty Rate %	Penalty Amount
Description	Amount	Balance			
Total Failure to File Penalty					

Form

N-11/N-15**Hawaii Limited Deductions Worksheet****2017**

Name

Clifford Laughton

Taxpayer Identification Number

Itemized Deduction Limitation Worksheet**Summary of Itemized Deductions:**

a. Medical and dental expenses ..	a. _____
b. Taxes	b. 7,554
c. Interest	c. 43,923
d. Contributions	d. 750
e. Casualty and theft losses	e. _____
f. Miscellaneous deductions	f. _____

Compute Limitation (if applicable):

1. Enter the amount of total itemized deductions	1. 52,227
2. Deduction subject to limit (Medical expense, investment interest, casualty loss, and gambling losses)	2. _____
3. Line 1 minus line 2 (If the result is zero or less, enter the amount from line 1 on line 10)	3. 52,227
4. Multiply line 3 above by 80% (0.80)	4. 41,782
5. Enter the Hawaii adjusted gross income	5. 714,794
6. Enter \$166,800 (\$83,400 if married filing separately)	6. 166,800
7. Line 5 minus line 6. (If the result is zero or less, enter the amount from line 1 of this worksheet on N-11, line 22. Do not complete the rest of this worksheet)	7. 547,994
8. Multiply line 7 above by 3% (0.03)	8. 16,440
9. Enter the smaller of line 4 or 8	9. 16,440
10. Total itemized deductions (Line 1 minus line 9. Enter the result here and on N-11, line 22)	10. 35,787

Form
N-11/N-15**Hawaii State Tax Refund Worksheet****2017**

Name **Clifford Laughton** Taxpayer Identification Number XXXXXXXXXX

1. Enter your Hawaii state tax overpayment from your 2016 Form N-11 or Form N-15
Do not enter more than the state and local taxes on 2016 Itemized Deduction Worksheet 1. _____
2. Refundable credits from 2016 (Food/excise, low-income household renter, child and dependent care,
child passenger restraint, residential construction and remodeling carryover) 2. _____
3. Subtract line 2 from line 1. If zero or less, enter - 0 - 3. 0
4. Enter your Standard or Itemized deduction from 2016 4. 29,204
5. Enter your eligible standard deduction from 2016 5. 2,200

Single	\$2,200	Married filing separately	\$2,200
Married filing joint		Head of household	\$3,212
or qualifying widow(er)	\$4,400	Form N-15 Ratio (Prior year)	
6. Subtract line 5 from line 4. If zero or less, enter - 0 - 6. 27,004
7. Enter the lesser of line 3 or line 6 7. _____

Form N-11 Filers

8. Enter the taxable amount of your refund as reported on your 2017 federal tax return 8. 43,712
- 9a. If line 7 is greater than line 8, subtract line 8 from line 7. This is your addition to income. ... 9a. _____
- 9b. If line 8 is greater than line 7, subtract line 7 from line 8. This is your subtraction to income ... 9b. 43,712

Form N-15 Filers

8. Compare lines 3 and 7. Enter the smaller here and as the taxable refund on line 10 (Form N-15-column A and B) 8. _____

Form
N-11/N-15**Hawaii Tax Worksheets****2017**

Name

Clifford Laughton

Taxpayer Identification Number

Tax Computation Worksheet

- a. Enter the tax amounts calculated from the Tax Table, Tax Rate Schedule,
Tax on Capital Gains Worksheet, Form N-168 or Form N-615

a. **53,654****Enter any additional tax from the following forms:**

- b. Form N-2, Distributions from an Individual Housing Account
- c. Form N-103, Sale of Your Home
- d. Form N-152, Tax on Lump-Sum Distributions
- e. Form N-312, Recapture of Capital Goods Excise Tax Credit
- f. Form N-338, Tax Credit for Flood Victims
- g. Form N-344, Recapture of Important Agricultural Land Qualified Agricultural Cost Tax Credit
- h. Form N-348, Recapture of Capital Infrastructure Tax Credit
- i. Form N-405, Tax on Accumulation Distribution of Trusts
- j. Form N-586, Recapture of Low-Income Housing Tax Credit
- k. Form N-814, Parent's Election to Report Child's Interest and Dividends
- l. Add lines a through k. This is your **total tax**.

b.

c.

d.

e.

f.

g.

h.

i.

j.

k.

l. **53,654**

Balance Due/Refund Net of Interest and Penalties Worksheet

1. Balance due (overpayment)
2. Form N-210 Estimated tax penalty
3. Late filing interest
4. Failure to file and pay penalty
5. **Balance due (overpayment)**
6. Overpayment applied to 2018 estimated taxes
7. Contributions made with overpayment
8. **Total balance due**
9. **Net refund**

1. **15,281**

2.

3. **611**

4. **3,056**

5. **18,948**

6.

7.

8. **18,948**

9.

10/11/2018

Hawaii Statements

Hawaii Schedule D-1, Line 3 - Unrecaptured Section 1250 Gains

Desc	Date Acq	Date Sold	Sales Price	Dep Allowed	Basis	Gain or Loss	Post-May 5 Gain(Loss)
Parking Stalls	9/19/12	1/17/17	\$ 25,572	\$ 2,069	\$ 2,069	\$	\$ 2,069
Building Units	9/19/12	1/17/17	117,456	13,065	13,065		13,065
Total						\$ 0	\$ 15,134

Hawaii Statements**Itemized Deduction Worksheet - Noncash Contributions**

<u>Description</u>	<u>Amount</u>
50% Contrib from 8283	\$ 750
Total	\$ 750

HI Asset Report Rental Real Estate

Asset	Description	Date In Service	Cost	Basis for Dep	HI Prior	HI Current	Federal Current	Difference Fed - HI
<u>Prior MACRS:</u>								
1	Parking Stalls	9/19/12	1,941,368	1,941,368	213,639	49,778	49,778	0
2	Building Units	9/19/12	6,151,098	6,151,098	959,938	223,676	223,676	0
4	Parking Stalls	9/19/12	18,667	18,667	2,049	20	20	0
	Sold/Scrapped: 1/17/17							
5	Building Units	9/19/12	82,874	82,874	12,939	126	126	0
	Sold/Scrapped: 1/17/17							
			<u>8,194,007</u>	<u>8,194,007</u>	<u>1,188,563</u>	<u>273,500</u>	<u>273,500</u>	<u>0</u>
<u>Amortization:</u>								
3	Startup Legal Fees	9/20/12	3,800	3,800	1,098	253	253	0
			<u>3,800</u>	<u>3,800</u>	<u>1,098</u>	<u>253</u>	<u>253</u>	<u>0</u>
Grand Totals			8,197,807	8,197,807	1,189,663	273,853	273,853	0
Less: Dispositions			101,541	101,541	14,988	146	146	0
Less: Start-up/Org Expense			0	0	0	0	0	0
Net Grand Totals			<u>8,096,266</u>	<u>8,096,266</u>	<u>1,174,675</u>	<u>273,707</u>	<u>273,707</u>	<u>0</u>

FORM
N-200V
(Rev. 2018)

STATE OF HAWAII — DEPARTMENT OF TAXATION
INDIVIDUAL INCOME TAX PAYMENT VOUCHER

(NOTE: References to "married" and "spouse" are also references to
"in a civil union" and "civil union partner," respectively.)

Hawaii Department of Taxation
Attn: Payment Section
P.O. Box 1530
Honolulu, Hawaii 96806-1530

CUT HERE

Form (Rev. 2018)

N-200V

STATE OF HAWAII — DEPARTMENT OF TAXATION

**INDIVIDUAL INCOME TAX
PAYMENT VOUCHER**

DO NOT WRITE OR STAPLE IN THIS SPACE



DO NOT SUBMIT A PHOTOCOPY OF THIS FORM

Composite Taxpayer

Your first name

Clifford

If joint return, spouse's first name

M I

Last name

Laughton

M I

Last name

Suffix

Suffix

Your Social Security Number

Spouse's Social Security Number

Present mailing or home address (Number and street, including rural route)

18124 Wedge Pkwy

City, town, or post office

Reno

State

Postal/ZIP Code

NV 89511

Country

Apartment Number

456

For office use only

Tax Year Ending (MM DD YY)

12 - 31 - 18

Amount of Payment

7374 .00

MAIL THIS VOUCHER WITH CHECK OR MONEY ORDER PAYABLE
TO "HAWAII STATE TAX COLLECTOR." Write your SSN, daytime phone
number, the year for which payment is made, and form number of the tax
return you are filing (e.g., "2018 Form N-11") on your check or money order.

ID NO 20

N200V T 2018A 01 VID20

FORM
N-11
(Rev. 2018)STATE OF HAWAII — DEPARTMENT OF TAXATION
Individual Income Tax Return
RESIDENT
Calendar Year 2018
OR

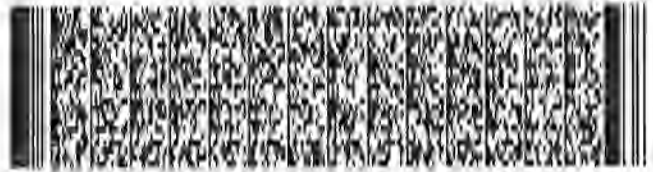
DO NOT WRITE IN THIS AREA

Fiscal Year
Beginning

and Ending

AMENDED Return
NOL Carryback
IRS Adjustment

FOR OFFICE USE ONLY

**Do NOT Submit a Photocopy!!**

Place an X in applicable box, if appropriate

First Time Filer

Address or Name Change

◆ IMPORTANT — Complete this Section ◆

Your First Name Clifford	M.I.	Your Last Name Laughton	Suffix
Spouse's First Name	M.I.	Spouse's Last Name	Suffix
Care Of (See Instructions, page 7.)			
Mailing or home address (Number and street, including Rural Route) 18124 Wedge Pkwy APT 456			
City, town or post office Reno	State NV	Postal/ZIP code 89511	
If Foreign address, enter Province and/or State		Country	

Enter the first four letters
of your last name.
Use **ALL CAPITAL** letters**LAUG**Your Social
Security Number

Deceased Date of Death

Enter the first four letters
of your Spouse's last name.
Use **ALL CAPITAL** lettersSpouse's Social
Security Number

Deceased Date of Death

(Place an X in only ONE box)

- 1 ☒ Single
- 2 Married filing joint return (even if only one had income)
- 3 Married filing separate return. Enter spouse's SSN and the first four letters of last name above. Enter spouse's full name here.

4

Head of household (with qualifying person). If the qualifying person is a child but not your dependent, enter the child's full name.

Qualifying widow(er) (see page 9 of the Instructions)

Enter the year your spouse died

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X above line 21.

- 6a ☒ Yourself ☒ Age 65 or over
- 6b Spouse Age 65 or over
- Enter the number of Xs on 6a and 6b **2**

If you placed an X on lines 3 and 6b above, see the Instructions on page 9 and if your spouse meets the qualifications, place an X here

6c and 6d	1. Dependent's first and last name <small>If more than 4 dependents use attachment</small>	2. Dependent's social security number	3. Relationship	Enter number of your children listed	6c
6d				Enter number of other dependents	6d

6e Total number of exemptions claimed Add numbers entered in boxes 6a thru 6d above

6e **2**

ID NO 20

• ATTACH COPY 2 OF FORM W-2 HERE •

• ATTACH CHECK OR MONEY ORDER HERE •



Your Social Security Number

Your Spouse's SSN

Name(s) as shown on return

Clifford Laughton

ROUND TO THE NEAREST DOLLAR

7	Federal adjusted gross income (AGI) (see page 11 of the Instructions)	7	356252
8	Difference in state/federal wages due to COLA, ERS, etc. (see page 12 of the Instructions)	8	
9	Interest on out-of-state bonds (including municipal bonds)	9	
10	Other Hawaii additions to federal AGI (see page 12 of the Instructions)	10	
11	Add lines 8 through 10		
	Total Hawaii additions to federal AGI	11	
12	Add lines 7 and 11	12	356252
13	Pensions taxed federally but not taxed by Hawaii (see page 14 of the Instructions)	13	
14	Social security benefits taxed on federal return	14	28286
15	First \$6,564 of military reserve or Hawaii national guard duty pay	15	
16	Payments to an individual housing account	16	
17	Exceptional trees deduction (attach affidavit) (see page 15 of the Instructions)	17	
18	Other Hawaii subtractions from federal AGI (see page 15 of the Instructions)	18	
19	Add lines 13 through 18		
	Total Hawaii subtractions from federal AGI	19	28286
20	Line 12 minus line 19		
	Hawaii AGI	20	327966

CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 16, and place an X here.

21 If you do not itemize your deductions, go to line 23 below. Otherwise go to page 17 of the Instructions and enter your itemized deductions here.

21a	Medical and dental expenses (from Worksheet A-1)	21a	
21b	Taxes (from Worksheet A-2)	21b	7678
21c	Interest expense (from Worksheet A-3)	21c	39780
21d	Contributions (from Worksheet A-4)	21d	4250
21e	Casualty and theft losses (from Worksheet A-5)	21e	
21f	Miscellaneous deductions (from Worksheet A-6)	21f	

TOTAL ITEMIZED DEDUCTIONS

22 Add lines 21a through 21f. If your Hawaii adjusted gross income is above a certain amount, you may not be able to deduct all of your itemized deductions. See the instructions on page 22. Enter total here and go to line 24.

46873

23 If you checked filing status box: 1 or 3 enter \$2,200; 2 or 5 enter \$4,400; 4 enter \$3,212

Standard Deduction

24 Line 20 minus line 22 or 23, whichever applies. (This line MUST be filled in)

281093

ID NO 20

Form N-11 (Rev. 2018)

Page 3 of 4



Your Social Security Number

Your Spouse's SSN

Clifford Laughton

Name(s) as shown on return

- 25 Multiply \$1,144 by the total number of exemptions claimed on line 6e.
If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es),
and see page 22 of the Instructions.
- | | | |
|-----|-----|--------|
| 25 | 25 | 2288 |
| 26 | 26 | 278805 |
| 27 | 27 | 25048 |
| 27a | 27a | |

- 28 Refundable Food/Excise Tax Credit
(attach Form N-311) DHS, etc. exemptions 28
- 29 Credit for Low-Income Household
Renters (attach Schedule X) 29
- 30 Credit for Child and Dependent
Care Expenses (attach Schedule X) 30
- 31 Credit for Child Passenger Restraint
System(s) (attach a copy of the invoice) 31
- 32 Total refundable tax credits from
Schedule CR (attach Schedule CR) 32
- 33 Add lines 28 through 32 Total Refundable Credits > 33
- 34 Line 27 minus line 33. If line 34 is zero or less, see Instructions 34 25048
- 35 Total nonrefundable tax credits (attach Schedule CR) 35
- 36 Line 34 minus line 35 Balance > 36 25048
- 37 Hawaii State Income tax withheld (attach W-2s)
(see page 28 of the Instructions for other attachments) 37 19133
- 38 2018 estimated tax payments 38
- 39 Amount of estimated tax applied from 2017 return 39
- 40 Amount paid with extension 40
- 41 Add lines 37 through 40 Total Payments > 41 19133

- 42 If line 41 is larger than line 36, enter the amount **OVERPAID** (line 41 minus line 36) (see Instructions) 42
- 43 Contributions to (see page 29 of the Instructions):
- | | | |
|--|----------|--------|
| | Yourself | Spouse |
| 43a Hawaii Schools Repairs and Maintenance Fund | \$2 | \$2 |
| 43b Hawaii Public Libraries Fund | \$5 | \$5 |
| 43c Domestic and Sexual Violence / Child Abuse and Neglect Funds | \$5 | \$5 |
- 44 Add the amounts of the Xs on lines 43a through 43c and enter the total here 44
- 45 Line 42 minus line 44 45

ID NO 20

Form N-11 (Rev. 2018)

Page 4 of 4



Your Social Security Number

Your Spouse's SSN

Clifford Laughton
Name(s) as shown on return

46 Amount of line 45 to be applied to your
2019 ESTIMATED TAX

46

47a Amount to be REFUNDED TO YOU (line 45 minus line 46) If filing late,
see page 29 of Instructions

47a

Place an X in this box if this refund will ultimately be deposited to a foreign (non-U.S.) bank. Do not complete lines 47b, 47c, or 47d

47b Routing number**47c** Type:

Checking

Savings

47d Account number**48** AMOUNT YOU OWE (line 36 minus line 41)**48****5915**

49 PAYMENT AMOUNT Submit payment online at hitax.hawaii.gov or attach check or
money order payable to "Hawaii State Tax Collector."

49**7374**

50 Estimated tax penalty. (See page 30 of
Instructions.) Do not include on line 42 or 48. Place an X in
this box if Form N-210 is attached

50

51 AMENDED RETURN ONLY – Amount paid (overpaid) on original return. (See Instructions) (attach Sch. AMD) **51**

52 AMENDED RETURN ONLY – Balance due (refund) with amended return. (See Instructions) (attach Sch. AMD) **52**

53 Did you file a federal Schedule C? ☒ Yes ☐ No If yes, enter Hawaii gross receipts **2124947**
your main business activity: Rental Real Esta
your main business product: Residential Prop AND your HI Tax I.D. No. for this activity **GE 099-413-4016-01**

54 Did you file a federal Schedule E ☐ Yes ☒ No If yes, enter Hawaii gross rents received
for any rental activity? AND your HI Tax I.D. No. for this activity **GE**

55 Did you file a federal Schedule F? ☒ Yes ☐ No If yes, enter Hawaii gross receipts
your main business activity: Greystone Vineya
your main business product: Wine Grapes AND your HI Tax I.D. No. for this activity **GE**

DESIGNATE	If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 31 of the Instructions.			
	Taxpayer's name	Phone no	Identification number	
	<u>Reid Tatsuguchi</u>	<u>808-589-2100</u>	<u>P00194634</u>	
HAWAII ELECTION CAMPAIGN FUND (See page 32 of the Instructions)	Do you want \$3 to go to the Hawaii Election Campaign Fund?		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Placing an X in the "Yes" box will not increase your tax or reduce your refund
	If joint return, does your spouse want \$3 to go to the fund?		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
PLEASE SIGN HERE	DECLARATION — I declare, under the penalties set forth in section 231-30 HRS, that this return (including accompanying schedules or statements), has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS			
	Your signature	Date	Spouse's signature (if filing jointly, BOTH must sign)	Date
	Your Occupation		Your Spouse's Occupation	
	Daytime Phone Number		Daytime Phone Number	
	Administrator			
Pald	Preparer's Signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's identification number
	<u>Reid Tatsuguchi</u>	<u>10/05/19</u>		<u>P00194634</u>
	Print Preparer's Name	Federal E I No		
	<u>Reid Tatsuguchi</u>	<u>20-1767081</u>		
Firm's name (or yours if self-employed), Address, and ZIP Code	Firm's name (or yours if self-employed)		Phone No	
	<u>Tatsuguchi CPA LLC</u> <u>1314 S King St Ste 309</u> Honolulu, HI 96814		<u>808-589-2100</u>	

ID NO 20

**Recomputed for Hawaii
Depreciation and Amortization**
(Including Information on Listed Property)
▶ Attach to your tax return.

OMB No 1545-0172

Form **4562****2018**Department of the Treasury
Internal Revenue Service▶ Go to www.irs.gov/Form4562 for instructions and the latest information.Attachment
Sequence No. **179**

Name(s) shown on return

Clifford Laughton

Identifying number

Business or activity to which this form relates

Rental Real Estate**Part I Election To Expense Certain Property Under Section 179****Note:** If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	25,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing jointly, see instructions.	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2017 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2019. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.**Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)**

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

Part III MACRS Depreciation (Don't include listed property. See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2018	17	273,456
18	Assets elected to be treated as assets placed in service during the tax year into one or more general asset accounts. Check box: <input type="checkbox"/>		

Section B—Assets Placed in Service During 2018 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			27.5 yrs.	MM	S/L	
			39 yrs.	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2018 Tax Year Using the Alternative Depreciation System

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

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions.	22	273,456
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 593A costs.	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form **4562** (2018)

Clifford Laughton

Form 4562 (2018)

Page 2

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

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

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

24a Do you have evidence to substantiate the business/investment use claimed?				Yes	No	24b If "Yes" is the evidence written?				Yes	No
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost			
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use. See instructions							25				
26 Property used more than 50% in a qualified business use:											
		%									
		%									
27 Property used 50% or less in a qualified business use:											
		%				S/L-					
		%				S/L-					
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28				
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1								29			

Section B—Information on Use of Vehicles

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

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

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

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

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? See instructions		

Note: If you answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that began during your 2018 tax year (see instructions):					
43 Amortization of costs that began before your 2018 tax year					43
44 Total. Add amounts in column (f). See the instructions on where to report.					44
					253
					253

COPY - Do not file

FORM
N-101A
(REV. 2018)

STATE OF HAWAII — DEPARTMENT OF TAXATION

INDIVIDUAL INCOME TAX EXTENSION PAYMENT VOUCHER

(NOTE: References to "married" and "spouse" are also references to
"In a civil union" and "civil union partner," respectively.)

CUT HERE

Form (Rev. 2018)

N-101A

STATE OF HAWAII — DEPARTMENT OF TAXATION
**INDIVIDUAL INCOME TAX EXTENSION
PAYMENT VOUCHER**

DO NOT WRITE OR STAPLE IN THIS SPACE



DO NOT SUBMIT A PHOTOCOPY OF THIS FORM

Composite Taxpayer

Your first name

M.I.

Last name

Suffix

Clifford

Laughton

If joint return, spouse's first name

M.I.

Last name

Suffix

Your Social Security Number

Spouse's Social Security Number

Present mailing or home address (Number and street, including rural route)

Apartment Number

18124 Wedge Pkwy

456

City, town, or post office

State

Postal/ZIP Code

Country

For office use only

Reno

NV 89511

Tax Year Ending (MM DD YY)

12 - 31 - 18

Amount of Payment

.00

ID NO 20

MAIL THIS VOUCHER WITH CHECK OR MONEY ORDER
PAYABLE TO "HAWAII STATE TAX COLLECTOR." Write your social
security number, daytime phone number, the year for which payment
is made, and "Form N-101A" on your check or money order

Form N-11	Hawaii Itemized Deductions Worksheet	2018
Name(s) as shown on Return Clifford Laughton		Your social security number [REDACTED]

Worksheet A-1 - Medical and Dental Expenses

- | | | |
|---|----|---------|
| 1. Enter amount of medical and dental expenses | 1. | |
| 2. Enter Hawaii adjusted gross income from form N-11 | 2. | 327,966 |
| 3. Multiply line 2 by 7.5% (.075) | 3. | 24,597 |
| 4. Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-. (Enter the result on Form N-11 medical and dental deduction line) | 4. | |

Worksheet A-2 - Taxes You Paid

(State and local, foreign income, war profits, and excise profits tax you paid may not be deducted if federal adjusted gross income over \$100,000 if single or married filing separate, \$150,000 if head of household, or \$200,000 if married filing joint or qualified widow(er))

- | | | |
|--|----|-------|
| 5. State and local income tax (check one box only) | 5. | |
| a Income taxes, or | | |
| b General sales taxes | | |
| 6. Real estate taxes | 6. | 7,678 |
| 7. Personal property taxes | 7. | |
| 8. Other taxes | 8. | |
| 9. Add lines 5 through 8. (Enter total here and on Form N-11 taxes line) | 9. | 7,678 |

Worksheet A-3 - Interest You Paid

- | | | |
|---|-----|--------|
| 10. Home mortgage interest and points reported to you on Form 1098 | 10. | 39,780 |
| 11. Home mortgage interest not reported to you on Form 1098 | 11. | |
| 12. Points not reported to you on Form 1098. (See federal instructions for special rules) | 12. | |
| 13. Investment interest. Attach Form N-158 | 13. | |
| 14. Add lines 10 through 13. (Enter total here and on Form N-11 interest expense line) | 14. | 39,780 |

Worksheet A-4 - Gifts to Charity

- | | | |
|---|-----|-------|
| 15. Enter amount of gifts by cash or check (if any gift of \$250 or more state may require documentation) | 15. | |
| 16. Other than by cash or check (Attach statement if over \$500) | 16. | 4,250 |
| 17. Carryover from 2017 | 17. | |
| 18. Add lines 15 through 17 (Enter total here and on Form N-11 contributions line) | 18. | 4,250 |

Worksheet A-5 - Casualties and Thefts

- | | | |
|--|-----|---------|
| 19. Total casualty or theft loss(es) from Form 4684 line 16 | 19. | |
| 20. Enter Hawaii adjusted gross income from N-11 | 20. | 327,966 |
| 21. Enter 10% of your Hawaii adjusted gross income | 21. | 32,797 |
| 22. Line 19 minus line 21 (If zero or less, stop here. Otherwise enter amount on Form N-11 casualty and theft loss line) | 22. | 0 |

Worksheet A-6 - Miscellaneous Deductions

- | | | |
|---|-----|---------|
| 23. Unreimbursed employee expenses (Attach federal Form 2106 or 2106EZ) | 23. | |
| 24. Tax preparation fees | 24. | |
| 25. Other expenses | 25. | |
| 26. Add lines 23 through 25 | 26. | |
| 27. Enter Hawaii adjusted gross income from N-11 | 27. | 327,966 |
| 28. Multiply line 26 by 2% (.02) | 28. | 6,559 |
| 29. Line 26 minus line 28 (Enter the result but not less than zero) | 29. | 0 |
| 30. Other deductions not subject to 2% AGI limit | 30. | |
| 31. Add lines 29 and 30. (Enter total here and on Form N-11 miscellaneous deduction line) | 31. | |
| 32. Total Deductions (Add lines 4, 9, 14, 18, 22 and 31) | 32. | 51,708 |

Hawaii itemized deductions may be limited by Hawaii adjusted gross income.
Please review the Itemized Deduction Limitation Worksheet for the eligible amount.

Form
N-11/N-15**Hawaii Limited Deductions Worksheet****2018**

Name

Clifford Laughton

Taxpayer Identification Number

Itemized Deduction Limitation Worksheet**Summary of Itemized Deductions:**

a. Medical and dental expenses ..	a. _____	a. _____
b. Taxes	b. _____	b. 7,678
c. Interest	c. _____	c. 39,780
d. Contributions	d. _____	d. 4,250
e. Casualty and theft losses	e. _____	e. _____
f. Miscellaneous deductions	f. _____	f. _____

Compute Limitation (If applicable):

1. Enter the amount of total itemized deductions	1. _____	1. 51,708
2. Deduction subject to limit (Medical expense, Investment Interest, casualty loss, and gambling losses)	2. _____	2. _____
3. Line 1 minus line 2 (If the result is zero or less, enter the amount from line 1 on line 10)	3. _____	3. 51,708
4. Multiply line 3 above by 80% (0.80)	4. _____	4. 41,366
5. Enter the Hawaii adjusted gross income	5. _____	5. 327,966
6. Enter \$166,800 (\$83,400 if married filing separately)	6. _____	6. 166,800
7. Line 5 minus line 6. (If the result is zero or less, enter the amount from line 1 of this worksheet on N-11, line 22. Do not complete the rest of this worksheet)	7. _____	7. 161,166
8. Multiply line 7 above by 3% (.03)	8. _____	8. 4,835
9. Enter the smaller of line 4 or 8	9. _____	9. 4,835
10. Total itemized deductions (Line 1 minus line 9. Enter the result here and on N-11, line 22)	10. _____	10. 46,873

Form
N-11/N-15**Hawaii Tax Worksheets****2018**

Name

Clifford Laughton

Taxpayer Identification Number

[REDACTED]

Tax Computation Worksheet

- a. Enter the tax amounts calculated from the Tax Table, Tax Rate Schedule,
Tax on Capital Gains Worksheet, Form N-168 or Form N-615

a. **25,048****Enter any additional tax from the following forms:**

- b. Form N-2, Distributions from an Individual Housing Account
c. Form N-103, Sale of Your Home
d. Form N-152, Tax on Lump-Sum Distributions
e. Form N-312, Recapture of Capital Goods Excise Tax Credit
f. Form N-338, Tax Credit for Flood Victims
g. Form N-344, Recapture of Important Agricultural Land Qualified Agricultural Cost Tax Credit
h. Form N-348, Recapture of Capital Infrastructure Tax Credit
i. Form N-405, Tax on Accumulation Distribution of Trusts
j. Form N-586, Recapture of Low-Income Housing Tax Credit
k. Form N-814, Parent's Election to Report Child's Interest and Dividends
l. Add lines a through k. This is your **total tax**.

b. _____
c. _____
d. _____
e. _____
f. _____
g. _____
h. _____
i. _____
j. _____
k. _____
l. **25,048**

Balance Due/Refund Net of Interest and Penalties Worksheet

1. Balance due (overpayment)
2. Form N-210 Estimated tax penalty
3. Late filing interest
4. Failure to file and pay penalty
5. **Balance due (overpayment)**
6. Overpayment applied to 2019 estimated taxes
7. Contributions made with overpayment
8. **Total balance due**
9. **Net refund**

1. **5,915**
2. _____
3. **276**
4. **1,183**
5. **7,374**
6. _____
7. _____
8. **7,374**
9. _____

Hawaii Statements**Itemized Deduction Worksheet - Noncash Contributions**

<u>Description</u>	<u>Amount</u>
50% Contrib from 8283	\$ 4,250
Total	\$ 4,250

[REDACTED]

FYE: 12/31/2018

HI Asset Report Rental Real Estate

Asset	Description	Date In Service	Cost	Basis for Dep	HI Prior	HI Current	Federal Current	Difference Fed - HI
Prior MACRS								
1	Parking Stalls	9/19/12	1,941,368	1,941,368	263,417	49,779	49,779	0
2	Building Units	9/19/12	6,151,098	6,151,098	1,183,614	223,677	223,677	0
			<u>8,092,466</u>	<u>8,092,466</u>	<u>1,447,031</u>	<u>273,456</u>	<u>273,456</u>	<u>0</u>
Amortization								
3	Startup Legal Fees	9/20/12	3,800	3,800	1,351	253	253	0
			<u>3,800</u>	<u>3,800</u>	<u>1,351</u>	<u>253</u>	<u>253</u>	<u>0</u>
Grand Totals			8,096,266	8,096,266	1,448,382	273,709	273,709	0
Less: Dispositions			0	0	0	0	0	0
Less: Start-up/Org Expense			0	0	0	0	0	0
Net Grand Totals			<u>8,096,266</u>	<u>8,096,266</u>	<u>1,448,382</u>	<u>273,709</u>	<u>273,709</u>	<u>0</u>

Form N-11/N-15	Hawaii Electronic Filing - PDF Attachment Report	2018
Name Clifford Laughton		Taxpayer Identification Number [REDACTED]
Title	Attachment Source	Print/Save
Hawaii Attachments: Tax Return: Tax Computation	(automatically attached)	N/A

FORM
N-11
(Rev. 2019)

TAXPAYER COPY
STATE OF HAWAII — DEPARTMENT OF TAXATION
Individual Income Tax Return
RESIDENT
Calendar Year 2019
OR

Deceased
DO NOT WRITE IN THIS AREA



Fiscal Year
Beginning

and Ending

AMENDED Return
NOL Carryback
IRS Adjustment
First Time Filer

FOR OFFICE USE ONLY



Do NOT Submit a Photocopy!!

• ATTACH COPY 2 OF FORM W-2 HERE •

♦ **IMPORTANT** — Complete this section ♦

Your First Name Clifford	M.I.	Your Last Name Laughton	Suffix
Spouse's First Name	M.I.	Spouse's Last Name	Suffix
Care Of (See Instructions, page 7.) Richard P Schulze			
Present mailing or home address (Number and street, including Rural Route) 140 W Huffaker Ln APT 510			
City, town or post office Reno	State NV	Postal/ZIP code 89511	
If Foreign address, enter Province and/or State		Country	

Enter the first four letters
of your last name.
Use **ALL CAPITAL** letters

LAUG

Your Social
Security Number

Deceased **X** Date of Death **07 - 13 - 20**

Enter the first four letters
of your Spouse's last name.
Use **ALL CAPITAL** letters

Spouse's Social
Security Number

Deceased Date of Death

(Place an X in only ONE box)

- 1 **X** Single
- 2 Married filing joint return (even if only one had income).
- 3 Married filing separate return. Enter spouse's SSN and the first four letters of last name above. Enter spouse's full name here.

4

Head of household (with qualifying person). If the qualifying person is a child but not your dependent, enter the child's full name. ➤

5

Qualifying widow(er) (see page 9 of the Instructions)

Enter the year your spouse died

CAUTION: If you can be claimed as a dependent on another person's tax return (such as your parents'), DO NOT place an X on line 6a, but be sure to place an X above line 21.

6a **X** Yourself **X** Age 65 or over Enter the number of Xs on 6a and 6b **2**

6b Spouse Age 65 or over

If you placed an X on lines 3 and 6b above, see the Instructions on page 9 and if your spouse meets the qualifications, place an X here

6c and 6d	Dependents and name	If more than one person use attachment	2 Dependent's social number	3. Relationship
6c				
6d				

Enter number of
your children listed

6c ➤

Enter number of
other dependents

6d ➤

6e Total number of exemptions claimed. Add numbers entered in boxes 6a thru 6d above

6e ➤

2

• ATTACH CHECK OR MONEY ORDER HERE •



Your Social Security Number

Your Spouse's SSN

Name(s) as shown on return

Clifford Laughton

ROUND TO THE NEAREST DOLLAR

7	Federal adjusted gross income (AGI) (see page 12 of the Instructions)	7	279579
8	Difference in state/federal wages due to COLA, ERS, etc. (see page 12 of the Instructions)	8	
9	Interest on out-of-state bonds (including municipal bonds)	9	
10	Other Hawaii additions to federal AGI (see page 12 of the Instructions)	10	
11	Add lines 8 through 10		
	Total Hawaii additions to federal AGI	11	
12	Add lines 7 and 11	12	279579
13	Pensions taxed federally but not taxed by Hawaii (see page 14 of the Instructions)	13	
14	Social security benefits taxed on federal return	14	29833
15	First \$6,735 of military reserve or Hawaii national guard duty pay	15	
16	Payments to an individual housing account	16	
17	Exceptional trees deduction (attach affidavit) (see page 15 of the Instructions)	17	
18	Other Hawaii subtractions from federal AGI (see page 15 of the Instructions)	18	
19	Add lines 13 through 18		
	Total Hawaii subtractions from federal AGI	19	29833
20	Line 12 minus line 19		
	Hawaii AGI	20	249746

CAUTION: If you can be claimed as a dependent on another person's return, see the Instructions on page 17, and place an X here.

21 If you do not itemize your deductions, go to line 23 below. Otherwise go to page 17 of the Instructions and enter your itemized deductions here.

21a	Medical and dental expenses (from Worksheet A-1)	21a	
21b	Taxes (from Worksheet A-2)	21b	7823
21c	Interest expense (from Worksheet A-3)	21c	40045
21d	Contributions (from Worksheet A-4)	21d	124873
21e	Casualty and theft losses (from Worksheet A-5)	21e	
21f	Miscellaneous deductions (from Worksheet A-6)	21f	

TOTAL ITEMIZED DEDUCTIONS	
22	Add lines 21a through 21f. If your Hawaii adjusted gross income is above a certain amount, you may not be able to deduct all of your itemized deductions. See the instructions on page 22. Enter total here and go to line 24.
	170253

23 If you checked filing status box: 1 or 3 enter \$2,200; 2 or 5 enter \$4,400; 4 enter \$3,212

Standard Deduction 23

24 Line 20 minus line 22 or 23, whichever applies. (This line MUST be filled in)

24

79493

Form N-11 (Rev. 2019)

Page 3 of 4



Your Social Security Number

Your Spouse's SSN

Clifford Laughton

Name(s) as shown on return

25 Multiply \$1,144 by the total number of exemptions claimed on line 6e.

If you and/or your spouse are blind, deaf, or disabled, place an X in the applicable box(es), and see page 22 of the Instructions.

Yourself	Spouse	25	2288
----------	--------	----	------

26 Taxable Income. Line 24 minus line 25 (but not less than zero) **Taxable Income > 26** **77205****27** Tax. Place an X if from **X** Tax Table; Tax Rate Schedule; or Capital Gains Tax Worksheet on page 39 of the Instructions.

(Place an X if tax from Forms N-2, N-103, N-152, N-168, N-312, N-338, N-344, N-348, N-405, N-586, N-615, or N-814 is included.) **Tax > 27** **5625**

27a If tax is from the Capital Gains Tax Worksheet, enter the net capital gain from line 14 of that worksheet ... **27a****28** Refundable Food/Excise Tax Credit (attach Form N-311) **DHS, etc.** exemptions **28****29** Credit for Low-Income Household Renters (attach Schedule X) **29****30** Credit for Child and Dependent Care Expenses (attach Schedule X) **30****31** Credit for Child Passenger Restraint System(s) (attach a copy of the invoice) **31****32** Total refundable tax credits from Schedule CR (attach Schedule CR) **32****33** Add lines 28 through 32 **Total Refundable Credits > 33****34** Line 27 minus line 33. If line 34 is zero or less, see Instructions **34** **5625****35** Total nonrefundable tax credits (attach Schedule CR) **35****36** Line 34 minus line 35 **Balance > 36** **5625****37** Hawaii State Income tax withheld (attach W-2s) (see page 28 of the Instructions for other attachments) **37** **19133****38** 2019 estimated tax payments **38****39** Amount of estimated tax applied from 2018 return **39****40** Amount paid with extension **40****41** Add lines 37 through 40 **Total Payments > 41** **19133****42** If line 41 is larger than line 36, enter the amount **OVERPAID** (line 41 minus line 36) (see Instructions) ... **42** **13508****43 Contributions to** (see page 29 of the Instructions): **Yourself** **Spouse****43a** Hawaii Schools Repairs and Maintenance Fund \$2 \$2**43b** Hawaii Public Libraries Fund \$5 \$5**43c** Domestic and Sexual Violence / Child Abuse and Neglect Funds ... \$5 \$5**44** Add the amounts of the Xs on lines 43a through 43c and enter the total here **44****45** Line 42 minus line 44 **45** **13508**



Your Social Security Number

Your Spouse's SSN

Clifford Laughton

Name(s) as shown on return

46 Amount of line 45 to be applied to your

2020 ESTIMATED TAX **46**47a Amount to be **REFUNDED TO YOU** (line 45 minus line 46) If filing late,
see page 29 of Instructions

47a

13508

Place an X in this box if this refund will ultimately be deposited to a foreign (non-U.S.) bank. Do not complete lines 47b, 47c, or 47d

47b Routing number **122400724** 47c Type: **X** Checking Savings47d Account number **004960310784**48 **AMOUNT YOU OWE** (line 36 minus line 41). **48**49 **PAYMENT AMOUNT** Submit payment online at hitax.hawaii.gov or attach check or
money order payable to "Hawaii State Tax Collector." **49**50 **Estimated tax penalty.** (See page 30 of
Instructions.) Do not include on line 42 or 48. Place an X in
this box if Form N-210 is attached > **50**51 **AMENDED RETURN ONLY** – Amount paid (overpaid) on original return. (See Instructions) (attach Sch. AMD) **51**52 **AMENDED RETURN ONLY** – Balance due (refund) with amended return. (See Instructions) (attach Sch. AMD) **52**53 Did you file a federal Schedule C? **X** Yes No If yes, enter **Hawaii** gross receipts **2118698**
your main business activity: **Rental Real Esta**
your main business product: **Residential Prop** AND your HI Tax I.D. No. for this activity **GE 099-413-4016-01**54 Did you file a federal Schedule E for any rental activity? Yes **X** No If yes, enter **Hawaii** gross rents received
AND your HI Tax I.D. No. for this activity **GE**55 Did you file a federal Schedule F? **X** Yes No If yes, enter **Hawaii** gross receipts
your main business activity: **Greystone Vineya**
your main business product: **Wine Grapes** AND your HI Tax I.D. No. for this activity **GE**

If designating another person to discuss this return with the Hawaii Department of Taxation, complete the following. This is not a full power of attorney. See page 32 of the Instructions.

Designated person's name > **Reid Tatsuguchi** Phone No. > **808-589-2100** Identification number > **P00194634****HAWAII ELECTION CAMPAIGN FUND**

(See page 32 of the Instructions)

Do you want \$3 to go to the Hawaii Election Campaign Fund? Yes No

If joint return, does your spouse want \$3 to go to the fund? Yes No

Note: Placing an X in the "Yes" box will not increase your tax or reduce your refund

DECLARATION – I declare, under the penalties for false statements and perjury, that this return (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete return, made in good faith, for the taxable year stated, pursuant to the Hawaii Income Tax Law, Chapter 235, HRS.

Your signature

Date

Spouse's signature (if filing jointly, BOTH must sign)

Date

Your Occupation

Daytime Phone Number

Your Spouse's Occupation

Daytime Phone Number

Deceased

Paid

Preparer's Signature

> **Reid Tatsuguchi**

Date

10/22/20Check if self-employed > ☐

Preparer's identification number

P00194634

Preparer's Information

Print Preparer's Name

> **Reid Tatsuguchi**

Federal E.I. No.

> **20-1767081**

Firm's name (or yours if self-employed), Address, and ZIP Code

> **Tatsuguchi CPA LLC
1314 S King St Ste 309
Honolulu, HI 96814**

Phone No.

> **808-589-2100**

FORM
N-110
(REV. 2018)

STATE OF HAWAII — DEPARTMENT OF TAXATION
**Statement of Person Claiming
Refund Due a Deceased Taxpayer**



For Calendar Year **2019**
or other taxable year beginning _____, and ending _____

(NOTE: References to "married" and "spouse" are also references to "in a civil union," and "civil union partner," respectively.)

Please type or print	Name of decedent	Date of death	Decedent's Social Security Number
	Clifford Laughton	07/13/20	[REDACTED]
	Name of person claiming refund	Your Social Security Number	
	Richard P Schulze		
	Home address (number and street). If you have a P.O. box, see instructions.		Apt. No.
	140 W Huffaker Ln		510
	City, town, or post office, state and Postal/ZIP code. If you have a foreign address, see instructions.		
	Reno NV 89511		

Part I Check the box that applies to you. Check only one box. Be sure to complete Part III below.

- A ☐ Surviving spouse requesting reissuance of a refund check. See instructions.
- B ☒ Court-appointed or certified personal representative. Attach a court certificate showing your appointment, unless previously filed. See instructions.
- C ☐ Person, other than A or B, claiming refund for the decedent's estate. Also, complete Part II. Attach a copy of the proof of death, unless previously filed. See instructions.
State your relationship to the decedent _____

Part II Complete this part only if you checked the box on line C above.

	YES	NO
1 Did the decedent leave a will?		
2 (a) Has a court appointed a personal representative for the estate of the decedent?		
(b) If you answered "No" to 2(a), will one be appointed?		
If you answered "Yes" to 2(a) or 2(b), the personal representative must file for the refund.		
3 As the person claiming the refund for the decedent's estate, will you pay out the refund according to the laws of the state where the decedent was a legal resident?		
If you answered "No" to 3, a refund cannot be made until you submit a court certificate showing your appointment as personal representative or other evidence that you are entitled, under State law, to receive the refund.		

Part III Signature and verification. All filers must complete this part.

I hereby make a request for refund of taxes overpaid by or on behalf of the decedent and declare under penalties set forth in section 231-36, HRS, that I have examined this claim and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of claimant _____ Date _____

CERTIFICATE OF DEATHSTATE OF HAWAII
DEPARTMENT OF HEALTHCERTIFICATE NO. **151 2020 - 006385**Name of Deceased

CLIFFORD LAUGHTON

City, Town or Location of Death

Honolulu

County of Death

HONOLULU

Island of Death

OAHU

Report of Presumed Date of Death

July 13, 2020

Actual or Presumed Time of Death

10:30 PM

Date of Birth

November 26, 1943

Age at Death

76 YEAR(s)

Sex

MALE

Race

Caucasian

Citizenship

UNITED STATES

Ever in Armed Forces

YES

Social Security Number

[REDACTED]

Marital Status

DIVORCED

Father's Name

Harold Lang

Mother's Name (First or First Middle)

Anna Adams

Disposition

REMOVAL

Cemetery/Crematory: Montclair-Lucania Funeral Home

Date: August 21, 2020

Location: Chicago, IL 60634

Permit #: 236477

Funeral Home: NUUANU MEMORIAL PARK & MORTUARY LLC

Certifier: Baron Wong PRIVATE PHYSICIAN

Date Certified: July 14, 2020

Original Date Certified: July 14, 2020

Cause of Death:

- a. RESPIRATORY FAILURE
- b. PNEUMONIA
- c. DYSPHAGIA

Manner of Death: NATURAL CAUSES

Date Filed by State Registrar: August 12, 2020

OHSM 1 2 (Rev 1/2013)

This copy serves as prima facie evidence of the fact of death in any court proceeding. [HRS 338-13(b), 338-19] 1270576

ANY ALTERATIONS INVALIDATE THIS CERTIFICATE

Document Code 1670
Richard P. Schulze, Esq. #5767
Schulze Law Group, PC
140 W Huffaker Ln., Ste 510
Reno, NV 89511
Telephone: (775) 853-5700
Facsimile: (775) 853-5588
Attorney for SPECIAL ADMINISTRATOR

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR THE COUNTY OF WASHOE, STATE OF NEVADA

* * * * *

IN THE MATTER OF THE ESTATE

OF

CLIFFORD LAUGHTON,

Deceased.

Case No

Dept No. PR

EX PARTE MOTION FOR APPOINTMENT OF SPECIAL ADMINISTRATOR

Comes now, RICHARD P. SCHULZE to request this court to appoint him Special Administrator of the Estate of Clifford Laughton and in support thereof offers the following:

Qualifications

1. Petitioner, whose mailing address is 140 W Huffaker Ln., Ste 510, Reno, Nevada, is the named Personal Representative under the will of Clifford Laughton, has not been convicted of a felony and is otherwise qualified to act as Special Administrator pursuant to Section 138.010 of the Nevada Revised Statutes and as Administrator pursuant to NRS 139.010. Petitioner's physical address is 1764 Bliss Court, Carson City, Nevada.

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1 7. In addition to the powers granted under NRS 140.040, Petitioner requests that the
2 Special Administrator be granted the authority to dispose of the decedent's remains in
3 accordance with the oral and written instructions provided by the decedent. The Special
4 Administrator also requests authority to utilize the liquid assets of the decedent to pay for the
5 disposition of the decedent's remains. The decedent prepaid for his funeral in his hometown of
6 Chicago, Illinois but failed to pay for transportation of his remains from his place of death to his
7 chosen cemetery and funeral home. If petitioner is appointed as Special Administrator and if
8 there are sufficient funds available from the decedent's accounts, petitioner intends to follow the
9 directions contained in Exhibit 2. Petitioner also asks for authority to pay any of the decedent's
10 bills which may be immediately due, including but not limited to, payment of taxes, insurance
11 and other costs related to the maintenance of the decedent's real property in the State of Hawaii.
12

13
14 7. This is an appropriate case for the appointment of a Special Administrator under
15 NRS 140.010. Failure to appoint the Special Administrators with the powers requested
16 hereunder will result in a significant loss to the estate due to the actual and threatened loss of the
17 decedent's personal property. Furthermore, there is a need to inventory the decedent's financial
18 accounts to determine actual title and beneficiary designation (if any) on such accounts and,
19 consequently, if a probate shall be required.
20

21 Heirs, Next-of-Kin, Devisees and Legatees

22 8. The decedent, Clifford Laughton, has three living children. He knowingly and
23 intentionally disinherited his children as heirs under his will and living trust.
24

25 9. The names and addresses of the decedent's known heirs, devisees and legatees
26 are

27 Jeffrey Michael Lang
28 1052 Evergreen Street
 Mundelein, IL 60060

1 Scott Allen Lang
2 6W. Fabish Drive
3 Buffalo Grove, IL 60089

4 Mitchell August Lang
5 1814 Stoddard Avenue
6 Wheaton, IL 60187

7 Laughton Living Trust, dated February 13, 2020
8 Richard P. Schulze, Esq. – Trustee
9 Anne Rafeal-Straka - Trustee
10 Richard Caifano, Esq. - Trustee
11 140 West Huffaker Lane, Suite 510
12 Reno, NV 89511

13 Request for Waiver of Bond

14 9. Petitioner requests that he serve without bond. Section 5.02 of the decedent's last
15 will and testament provides that petitioner shall serve as personal representative of the estate
16 without being required to provide a bond.

17 Notice / Request for Ex Parte Entry of Order

18 10. Pursuant to NRS 140.020 Petitioner requests this court to enter its order
19 appointing him as Special Administrator on an Ex Parte basis without requirement of prior notice
20 to any person or entity.

21 11. Requiring Petitioner to provide notice and / or requiring a hearing on this matter
22 will result in substantial and irreparable loss to the estate due to the loss of the decedent's
23 personal property, determine the need to probate any assets held in the decedent's sole name and
24 unnecessarily delay arranging for disposition of the decedent's remains.

25 //

26
27 //
28

1 WHEREFORE, your Petitioner prays that this court enter an Ex Parte Order appointing him as
2 Special Administrator of the Estate of Clifford Laughton with the powers granted under NRS
3 140.040, authority to access the decedent's accounts and other assets to determine the value of
4 such accounts and assets, the formal title in which the accounts and assets are held and to
5 determine the value of the accounts and assets; and authority to access the decedent's checking
6 and savings accounts to pay any outstanding bills to the extent there are sufficient liquid assets
7 and the power and authority to arrange for the disposition of the decedent's remains.
8

9
10 **THE UNDERSIGNED AFFIRMS THAT THIS DOCUMENT DOES NOT CONTAIN**
11 **THE SOCIAL SECURITY NUMBER OF ANY PERSON.**
12

13 


14 Richard P. Schulze, Petitioner
15

16 /s/RICHARD P. SCHULZE
17 RICHARD P. SCHULZE, ESQ
18
19
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21
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1 STATE OF NEVADA)
2) ss
3 COUNTY OF WASHOE)

4 Richard P. Schulze, being first duly sworn, deposes and says:

5 That he is the Petitioner in the above-entitled matter; that he has read the foregoing
6 PETITION FOR APPOINTMENT OF SPECIAL ADMINISTRATOR and knows the contents
7 thereof and the same is true of his own knowledge, except as to those matters therein stated on
8 information and belief, and as to those matters, he believes them to be true.
9

10
11 
12 Richard P. Schulze, Petitioner

13 SUBSCRIBED and SWORN to before me this 4th day of August, 2020.

14 
15 NOTARY PUBLIC
16

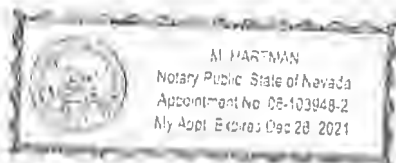


EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>	<u>No. of Pages</u>
--------------------	--------------------	---------------------

1	Statement of Death	5
---	--------------------	---

2	Last Will & Testament	8
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Recomputed for Hawaii Depreciation and Amortization (Including Information on Listed Property)

OMB No. 1545-0172

2019

Form

4562Department of the Treasury
Internal Revenue▶ Go to www.irs.gov/Form4562 for instructions and the latest information

Name(s) shown on return

Clifford Laughton

Identifying number

Business or activity to which this form relates

Rental Real Estate**Part I Election To Expense Certain Property Under Section 179****Note:** If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	25,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation. Subtract line 4 from line 1. If zero or less, enter -0-. If married and jointly electing, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2018 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2020. Add lines 9 and 10, less line 11	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.**Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)**

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

Part III MACRS Depreciation (Don't include listed property. See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2019	17	273,455
18	If any are eligible to be depreciated under the tax year 2019, check here		

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

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 1-year property						
b 2-year property						
c 3-year property						
d 5-year property						
e 7-year property						
f 10-year property						
g 20-year property						
h Residential rental property			25 yrs		S/L	
i Nonresidential real property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
			39 yrs.	MM	S/L	
				MM	S/L	

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

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

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	1,150
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	274,612
23	For assets shown above and placed in service during the current year, enter the Section 179 basis attributable to each asset	23	

For Paperwork Reduction Act Notice, see separate instructions.

DAA

Form **4562** (2019)

Clifford Laughton

Form 4562 (2019)

Page **2****Part V Listed Property** (Include automobiles, certain other vehicles, certain aircraft, and property used for entertainment, recreation, or amusement.)**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.**Section A—Depreciation and Other Information** (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the depreciation claimed? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				24b If "Yes," is the evidence written? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use. See instructions 25								
26 Property used more than 50% in a qualified business use								
Nissan Cargo Van	12/05/19	100.00 %	23,134	23,134	5.0	200DBMO	1,157	
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L		
		%				S/L		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28	1,157
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	

Section B—Information on Use of Vehicles

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

	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
30 Total business/investment miles driven during the year (don't include commuting miles) ...	500					
31 Total commuting miles driven during the year						
32 Total other personal (noncommuting) miles driven						
33 Total miles driven during the year. Add lines 30 through 32	500					
34 Was the vehicle available for personal use during off-duty hours?	Yes No	Yes No	Yes No	Yes No	Yes No	Yes No
35 Was the vehicle used primarily by a more than 5% owner or related person?	X					
36 Is another vehicle available for personal use?	X					

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

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

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? See instructions		

Note: If you answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2019 tax year (see instructions)					
43 Amortization of costs that began before your 2019 tax year					43
44 Total. Add amounts in column (f). See the instructions for values to report					44
					254
					254

Recomputed for Hawaii Passive Activity Loss Limitations

Form

8582Department of the Treasury
Internal Revenue Service (100)

Name(s) shown on return

▶ See separate instructions.

▶ Attach to Form 1040, Form 1040-SR, or Form 1041.

▶ Go to www.irs.gov/Form8582 for instructions and the latest information.

OMB No. 1545-1008

2019Attachment
Summary No **88**

Identifying number

Clifford Laughton**Part I 2019 Passive Activity Loss**

Caution: Complete Worksheets 1, 2, and 3 before completing Part I.

Rental Real Estate Activities With Active Participation (For the definition of active participation, see**Special Allowance for Rental Real Estate Activities** in the instructions.)

- 1a Activities with net income (enter the amount from Worksheet 1, column (a))
- 1b Activities with net loss (enter the amount from Worksheet 1, column (b))
- 1c Prior years' unallowed losses (enter the amount from Worksheet 1, column (c))
- d Combine lines 1a, 1b, and 1c

1a		
1b		
1c		
1d		

Commercial Revitalization Deductions From Rental Real Estate Activities

- 2a Commercial revitalization deductions from Worksheet 2, column (a)
- 2b Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)
- c Add lines 2a and 2b

2a		
2b		
2c		

All Other Passive Activities

- 3a Activities with net income (enter the amount from Worksheet 3, column (a))
- 3b Activities with net loss (enter the amount from Worksheet 3, column (b))
- 3c Prior years' unallowed losses (enter the amount from Worksheet 3, column (c))
- d Combine lines 3a, 3b, and 3c

3a		
3b	7,046	
3c		
3d		

- 4 Combine lines 1d, 2c, and 3d. If this line is zero or more, stop here and include this form with your return; all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Report the losses on the forms and schedules normally used

4		-7,046
---	--	--------

- If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
 - Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
 - Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, **do not** complete Part II or Part III. Instead, go to line 15.

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: Enter all numbers in Part II as positive amounts. See instructions for an example.

- 5 Enter the **smaller** of the loss on line 1d or the loss on line 4
- 6 Enter \$150,000. If married filing separately, see instructions
- 7 Enter modified adjusted gross income, but not less than zero. See instructions

5		
6		
7	249,746	
8		

- Note: If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8.
- 8 Subtract line 7 from line 6
- 9 Multiply line 8 by 50% (0.50). Do not enter more than \$25,000. If married filing separately, see instructions
- 10 Enter the **smaller** of line 5 or line 9

9		
10		0

If line 2c is a loss, go to Part III. Otherwise, go to line 15.

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: Enter all numbers in Part III as positive amounts. See the example for Part II in the instructions.

- 11 Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions
- 12 Enter the loss from line 4
- 13 Reduce line 12 by the amount on line 10
- 14 Enter the **smallest** of line 2c (treated as a positive amount), line 11, or line 13

11		
12		
13		
14		

Part IV Total Losses Allowed

- 15 Add the income, if any, on lines 1a and 3a and enter the total
- 16 **Total losses allowed from all passive activities for 2019.** Add lines 10, 14, and 15. See instructions to find out how to report the losses on your tax return

15		
16		0

Clifford Laughton

Form 8582 (2019)

Page 2

Caution: The worksheets must be filed with your tax return. Keep a copy for your records.**Worksheet 1—For Form 8582, Lines 1a, 1b, and 1c (see instructions)**

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 1a)	(b) Net loss (line 1b)	(c) Unallowed loss (line 1c)	(d) Gain	(e) Loss
Total. Enter on Form 8582, lines 1a, 1b, and 1c					

Worksheet 2—For Form 8582, Lines 2a and 2b (see instructions)

Name of activity	(a) Current year deductions (line 2a)	(b) Prior year unallowed deductions (line 2b)	(c) Overall loss
Total. Enter on Form 8582, lines 2a and 2b			

Worksheet 3—For Form 8582, Lines 3a, 3b, and 3c (see instructions)

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 3a)	(b) Net loss (line 3b)	(c) Unallowed loss (line 3c)	(d) Gain	(e) Loss
Rental Real Estate		7,046			7,046
Total. Enter on Form 8582, lines 3a, 3b, and 3c		7,046			

Worksheet 4—Use This Worksheet if an Amount Is Shown on Form 8582, Line 10 or 14. See instructions.

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Special allowance	(d) Subtract column (c) from column (a)
Total			1.00		

Worksheet 5—Allocation of Unallowed Losses (see instructions)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Unallowed loss
Rental Real Estate	Sch C	7,046	1.0000	7,046
Total		7,046	1.00	7,046

Clifford Laughton

Form 8582 (2019)

Page **3****Worksheet 6—Allowed Losses** (see instructions)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Unallowed loss	(c) Allowed loss
Rental Real Estate	Sch C	7,046	7,046	
Total		7,046	7,046	

Worksheet 7 — Activities With Losses Reported on Two or More Forms or Schedules (see instructions)

Name of activity	(a)	(b)	(c) Ratio	(d) Unallowed loss	(e) Allowed loss
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Total ▶			1.00		

Form **8582** (2019)

Name(s) shown on your income tax return

Identifying number

Clifford Laughton

Section B. Donated Property Over \$5,000 (Except Publicly Traded Securities, Vehicles, Intellectual Property or Inventory Reportable in Section A)—Complete this section for one item (or a group of similar items) for which you claimed a deduction of more than \$5,000 per item or group (except contributions reportable in Section A). Provide a separate form for each item donated unless it is part of a group of similar items. A qualified appraisal is generally required for items reportable in Section B. See instructions.

Part I Information on Donated Property

4 Check the box that describes the type of property donated

- | | | | | | | | |
|----------|--|----------|--|----------|-----------------------|----------|---|
| a | Art * (contribution of \$20,000 or more) | d | Art * (contribution of less than \$20,000) | g | Collectibles** | j | <input checked="" type="checkbox"/> Other |
| b | Qualified Conservation Contribution | e | Other Real Estate | h | Intellectual Property | | |
| c | Equipment | f | Securities | i | Vehicles | | |

*Art includes paintings, sculptures, watercolors, prints, drawings, ceramics, antiques, decorative arts, textiles, carpets, silver, rare manuscripts, historical memorabilia, and other similar objects.

**Collectibles include coins, stamps, books, gems, jewelry, sports memorabilia, dolls, etc., but not art as defined above

Note: In certain cases, you must attach a qualified appraisal of the property. See instructions.

5	(a) Description of donated property (if you need more space, attach a separate statement)	(b) If any tangible personal property or real property was donated, give a brief summary of overall physical condition of the property at the time of the gift	(c) Appraised fair market value
A	1976 Hatteras 46' Motoryacht	Excellent	350,000
B			
C			
D			

	(d) Date acquired by donor (mo., yr.)	(e) How acquired by donor	(f) Donor's cost or adjusted basis	(g) For bargain sales, enter amount received	(h) Amount claimed as a deduction	(i) Date of contribution
A	12/03/03	Purchase	323,000			10/24/19
B						
C						
D						

Part II Taxpayer (Donor) Statement—List each item included in Part I above that the appraisal identifies as having a value of \$500 or less. See instructions.

I declare that the following item(s) included in Part I above has to the best of my knowledge and belief an appraised value of not more than \$500 (per item). Enter identifying letter from Part I and describe the specific item. See instructions. ►

Signature of taxpayer (donor) ►

Date ►

Part III Declaration of Appraiser

I declare that I am not the donor, the donee, a party to the transaction in which the donor acquired the property, employed by, or related to any of the foregoing persons, or married to any person who is related to any of the foregoing persons. And, if regularly used by the donor, donee, or party to the transaction, I performed the majority of my appraisals during my tax year for other persons

Also, I declare that I perform appraisals on a regular basis; and that because of my qualifications as described in the appraisal, I am qualified to make appraisals of the type of property being valued. I certify that the appraisal fees were not based on a percentage of the appraised property value. Furthermore, I understand that a false or fraudulent overstatement of the property value as described in the qualified appraisal or this Form 8283 may subject me to the penalty under section 6701(a) (aiding and abetting the understatement of tax liability). I understand that my appraisal will be used in connection with a return or claim for refund. I also understand that, if there is a substantial or gross valuation misstatement of the value of the property claimed on the return or claim for refund that is based on my appraisal, I may be subject to a penalty under section 6695A of the Internal Revenue Code, as well as other applicable penalties. I affirm that I have not been at any time in the three-year period ending on the date of the appraisal barred from presenting evidence or testimony before the Department of the Treasury or the Internal Revenue Service pursuant to 31 U.S.C. 330(c).

Sign Here

Signature ►

Title ►

Date ►

Business address (including room or suite no.)

Identifying number

City or town, state, and ZIP code

Part IV Donee Acknowledgment—To be completed by the charitable organization

This charitable organization acknowledges that it is a qualified organization under section 170(c) and that it received the donated property as described in Section B, Part I, above on the following date ►

Furthermore, this organization affirms that in the event it sells, exchanges, or otherwise disposes of the property described in Section B, Part I (or any portion thereof) within 3 years after the date of receipt, it will file **Form 8282**, Donee Information Return, with the IRS and give the donor a copy of that form. This acknowledgment does not represent agreement with the claimed fair market value.

Does the organization intend to use the property for an unrelated use? ► Yes No

Name of charitable organization (donee)

Employer identification number

Address (number, street, and room or suite no.)

City or town, state, and ZIP code

Authorized signature

Title

Date

Form
N-11/N-15**Hawaii Auto Worksheet****2019**Name
Clifford LaughtonTaxpayer Identification Number
[REDACTED]

Description

Rental Real Estate

Form/Schedule

C

Unit number

1Asset Listing
Number

Date

Description

Vehicle 1 **4** **12/05/19** **Nissan Cargo Van**

Vehicle 2

Vehicle 3

Vehicle 4

General Information

Vehicle 1

Vehicle 2

Vehicle 3

Vehicle 4

- | | | | | |
|---|-----------------|--|--|--|
| 1. Total mileage | 500 | | | |
| 2. Business miles (58 cents per mile) | 500 | | | |
| 3. Commuting mileage | | | | |
| 4. Other mileage | | | | |
| 5. Business use percentage | 100.00 % | | | |

Actual Expenses

- | | | | | |
|---|-----------------|--|--|--|
| 6. Parking fees and tolls | | | | |
| 7 a. Gasoline | | | | |
| b. Oil | | | | |
| c. Repairs | | | | |
| d. Maintenance | | | | |
| e. Tires | | | | |
| f. Car washes | | | | |
| g. Insurance | | | | |
| h. Interest | | | | |
| i. Registration | | | | |
| j. Licenses | | | | |
| k. Property taxes | | | | |
| l. Other vehicle expenses | | | | |
| m. Vehicle rentals (Net of inclusion amount) | | | | |
| 8. Total expenses (Add lines 7a - 7m) | | | | |
| 9. Business use percentage from line 5 | 100.00 % | | | |
| 10. Business use portion of actual expenses | | | | |
| 11. Depreciation | 1,157 | | | |
| 12. Total actual expense allowable (Add lines 6, 10 and 11) | 1,157 | | | |

Standard Mileage Rate Method

- | | |
|---|------------|
| 13. Business mileage (line 2 multiplied by applicable rate) | 290 |
| 14. Parking fees and tolls from line 6 | |
| 15. Line 7h and 7k multiplied by bus pct (line 5) | |
| 16. Standard mileage rate | 290 |

Vehicle expense

Vehicle rentals

Vehicle depreciation

Total allowable deduction

Allowable Deduction**1 157****1 157**

Form
N-11/N-15**Hawaii Charitable Contribution Carryover Worksheet****2019**

Name as shown on return

Clifford Laughton

Taxpayer Identification Number

Current Year Contributions

AGI	249,746	*Adjusted for NOL	Overall Charitable Contribution AGI Limitation	149,848
	Contribution	AGI Limitation	2019 Amount Utilized	Utilized by NOL
60% Cash				
50% NonCash	350,000	124,873	124,873	225,127
50% Cap Gain (30%)				
30% Cash				
30% NonCash				
20% NonCash				
Qual Conservation				
Totals	350,000		124,873	225,127

60% Limitation Carryover Items

60% AGI Limitation	Remaining Overall AGI Limitation
First - 2018	
Totals	

50% Limitation Carryover Items

50% AGI Limitation	Remaining Overall AGI Limitation
Fifth - 2014	
Fourth - 2015	
Third - 2016	
Second - 2017	
First - 2018	
Totals	

Capital gain property to 50% (30%) Carryover Items

50/30% AGI Limitation	Remaining Overall AGI Limitation
Fifth - 2014	
Fourth - 2015	
Third - 2016	
Second - 2017	
First - 2018	
Totals	

30% Limitation Carryover Items

30% AGI Limitation	Remaining Overall AGI Limitation
Fifth - 2014	
Fourth - 2015	
Third - 2016	
Second - 2017	
First - 2018	
Totals	

20% Limitation Carryover Items

20% AGI Limitation	Remaining Overall AGI Limitation
Fifth - 2014	
Fourth - 2015	
Third - 2016	
Second - 2017	
First - 2018	
Totals	

Contributions utilized by NOL to NOL Carryover Worksheet

Cash contributions to Itemized Deductions Worksheet

Non-cash contributions to Itemized Deductions Worksheet

Carryover from prior years to Itemized Deductions Worksheet

Allowed Hawaii contributions

124,873

Form N-11	Hawaii Itemized Deductions Worksheet	2019
Name(s) as shown on Return Clifford Laughton		Your social security number <div style="background-color: black; width: 100px; height: 1.2em; margin: 0;"></div>

Worksheet A-1 - Medical and Dental Expenses

- | | | |
|---|----|---------|
| 1. Enter amount of medical and dental expenses | 1. | |
| 2. Enter Hawaii adjusted gross income from form N-11 | 2. | 249,746 |
| 3. Multiply line 2 by 10% (.10) | 3. | 24,975 |
| 4. Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-. (Enter the result on Form N-11 medical and dental deduction line) | 4. | |

Worksheet A-2 - Taxes You Paid

(State and local, foreign income, war profits, and excise profits tax you paid may not be deducted if federal adjusted gross income over \$100,000 if single or married filing separate, \$150,000 if head of household, or \$200,000 if married filing joint or qualified widow(er))

- | | | |
|--|----|-------|
| 5. State and local income tax (check one box only) | | |
| a Income taxes, or | | |
| b General sales taxes | 5. | |
| 6. Real estate taxes | 6. | 7,823 |
| 7. Personal property taxes | 7. | |
| 8. Other taxes | 8. | |
| 9. Add lines 5 through 8. (Enter total here and on Form N-11 taxes line) | 9. | 7,823 |

Worksheet A-3 - Interest You Paid

- | | | |
|---|-----|--------|
| 10. Home mortgage interest and points reported to you on Form 1098 | 10. | 40,045 |
| 11. Home mortgage interest not reported to you on Form 1098 | 11. | |
| 12. Points not reported to you on Form 1098. (See federal instructions for special rules) | 12. | |
| 13. Investment interest. Attach Form N-158 | 13. | |
| 14. Add lines 10 through 13. (Enter total here and on Form N-11 interest expense line) | 14. | 40,045 |

Worksheet A-4 - Gifts to Charity

- | | | |
|---|-----|---------|
| 15. Enter amount of gifts by cash or check (if any gift of \$250 or more state may require documentation) | 15. | |
| 16. Other than by cash or check (Attach statement if over \$500) | 16. | 124,873 |
| 17. Carryover from 2018 | 17. | |
| 18. Add lines 15 through 17 (Enter total here and on Form N-11 contributions line) | 18. | 124,873 |

Worksheet A-5 - Casualties and Thefts

- | | | |
|--|-----|---------|
| 19. Total casualty or theft loss(es) from Form 4684 line 16 | 19. | |
| 20. Enter Hawaii adjusted gross income from N-11 | 20. | 249,746 |
| 21. Enter 10% of your Hawaii adjusted gross income | 21. | 24,975 |
| 22. Line 19 minus line 21 (If zero or less, stop here. Otherwise enter amount on Form N-11 casualty and theft loss line) | 22. | 0 |

Worksheet A-6 - Miscellaneous Deductions

- | | | |
|---|-----|---------|
| 23. Unreimbursed employee expenses (Attach federal Form 2106 or 2106EZ) | 23. | |
| 24. Tax preparation fees | 24. | |
| 25. Other expenses | 25. | |
| 26. Add lines 23 through 25 | 26. | |
| 27. Enter Hawaii adjusted gross income from N-11 | 27. | 249,746 |
| 28. Multiply line 27 by 2% (.02) | 28. | 4,995 |
| 29. Line 26 minus line 28 (Enter the result but not less than zero) | 29. | 0 |
| 30. Other deductions not subject to 2% AGI limit | 30. | |
| 31. Add lines 29 and 30. (Enter total here and on Form N-11 miscellaneous deduction line) | 31. | |
| 32. Total Deductions (Add lines 4, 9, 14, 18, 22 and 31) | 32. | 172,741 |

Hawaii itemized deductions may be limited by Hawaii adjusted gross income.
Please review the Itemized Deduction Limitation Worksheet for the eligible amount.

Form

N-11/N-15**Hawaii Limited Deductions Worksheet****2019**

Name

Taxpayer Identification Number

Clifford Laughton**Itemized Deduction Limitation Worksheet****Summary of Itemized Deductions**

a. Medical and dental expenses	a.	
b. Taxes	b.	7,823
c. Interest	c.	40,045
d. Contributions	d.	124,873
e. Casualty and theft losses	e.	
f. Miscellaneous deductions	f.	

Compute Limitation (if applicable):

1. Enter the amount of total itemized deductions	1.	172,741
2. Deduction subject to limit (Medical expense, investment interest, casualty loss, and gambling losses)	2.	
3. Line 1 minus line 2 (If the result is zero or less, enter the amount from line 1 on line 10)	3.	172,741
4. Multiply line 3 above by 80% (0.80)	4.	138,193
5. Enter the Hawaii adjusted gross income	5.	249,746
6. Enter \$166,800 (\$83,400 if married filing separately)	6.	166,800
7. Line 5 minus line 6. (If the result is zero or less, enter the amount from line 1 of this worksheet on N-11, line 22. Do not complete the rest of this worksheet)	7.	82,946
8. Multiply line 7 above by 3% (.03)	8.	2,488
9. Enter the smaller of line 4 or 8	9.	2,488
10. Total itemized deductions (Line 1 minus line 9 Enter the result here and on N-11, line 22)	10.	170,253

Form
N-11/N-15Recomputed for
Hawaii Passive Activity Deduction Worksheet**2019**

Name

Clifford Laughton

Taxpayer Identification Number

[REDACTED]Activity **Rental Real Estate**Form **Sch C** Unit **1**Type **Other passive**

Entire Disposition of Activity

	Prior Year Suspended Losses	2019 Generated	2019 Utilized	Suspended Losses To 2020
Operating		7,046		7,046
Capital gains or losses - Short-term				
Capital gains or losses - Long-term				
Schedule D-1 - Part I				
Schedule D-1 - Part II				
Other Losses				

Hawaii Statements**Itemized Deduction Worksheet - Noncash Contributions**

<u>Description</u>	<u>Amount</u>
50% Contrib from 8283	\$ 350,000
Disallowed Noncash Cont	-225,127
Total	\$ 124,873

FYE: 12/31/2019

HI Asset Report Rental Real Estate

Asset	Description	Date In Service	Cost	Basis for Depr	HI Prior	HI Current	Federal Current	Difference Fed - HI
Prior MACRS:								
1	Parking Stalls	9/19/12	1,941,368	1,941,368	313,196	49,779	49,779	0
2	Building Units	9/19/12	6,151,098	6,151,098	1,407,291	221,676	223,676	0
			<u>8,092,466</u>	<u>8,092,466</u>	<u>1,720,487</u>	273,455	273,455	0
Listed Property:								
4	Nissan Cargo Van	12/05/19	23,134	23,134	0	1,157	18,100	16,943
			<u>23,134</u>	<u>23,134</u>	0	1,157	<u>18,100</u>	<u>16,943</u>
Amortization:								
3	Startup Legal Fees	9/20/12	3,800	3,800	1,604	254	254	0
			<u>3,800</u>	<u>3,800</u>	1,604	254	254	0
Grand Totals			8,119,400	8,119,400	1,722,091	274,866	291,809	16,943
Less: Dispositions			0	0	0	0	0	0
Less: Start-up/Org Expense			0	0	0	0	0	0
Net Grand Totals			<u>8,119,400</u>	<u>8,119,400</u>	<u>1,722,091</u>	<u>274,866</u>	<u>291,809</u>	<u>16,943</u>

Form
N-11**Hawaii Two Year Comparison Report****2018 & 2019**

Name

Taxpayer Identification Number

Clifford Laughton

		2018	2019	Differences
Adjustments	1. Federal adjusted gross income	1. 356,252	279,579	-76,673
	2. State wage adjustment	2.		
	3. Non-Hawaii municipal income	3.		
	4. Other additions	4.		
	5. Total additions to federal AGI	5.		
	6. Pension exclusion	6.		
	7. Social security	7. 28,286	29,833	1,547
	8. Military reserve or national guard duty pay	8.		
	9. Payment to an individual housing account	9.		
	10. Exceptional tree deduction	10.		
	11. Other subtractions	11.		
	12. Total subtractions from federal AGI	12. 28,286	29,833	1,547
	13. Hawaii adjusted gross income	13. 327,966	249,746	-78,220
Deductions	14. Medical	14.		
	15. Taxes	15. 7,678	7,823	145
	16. Interest	16. 39,780	40,045	265
	17. Contributions	17. 4,250	124,873	120,623
	18. Casualty losses	18.		
	19. Miscellaneous expenses	19.		
	20. Allowable itemized deductions	20. 46,873	170,253	123,380
	21. Standard deduction	21. 2,200	2,200	
	22. Exemptions	22. 2,288	2,288	
	23. Taxable income	23. 278,805	77,205	-201,600
Tax Computation	24. Tax	24. 25,048	5,625	-19,423
	25. Food/Excise Refundable tax credit	25.		
	26. Credit for low-income household renters	26.		
	27. Credit for child and dependent care expenses	27.		
	28. Credit for child passenger restraint system	28.		
	29. Schedule CR refundable credits	29.		
	30. Schedule CR non-refundable credits	30.		
	31. Net tax/ - refundable credits in excess of tax	31. 25,048	5,625	-19,423
	32. Income tax withheld	32. 19,133	19,133	
	33. Estimates	33.		
	34. Estimated tax applied from prior year	34.		
	35. Other payments	35.		
	36. Total payments and credits	36. 19,133	19,133	
	37. Tax due/-refund	37. 5,915	-13,508	-19,423
	38. Penalties and interest	38. 1,459		-1,459
	39. Contributions	39.		
	40. Net tax due/- refund	40. 7,374	-13,508	-20,882
	41. Effective Tax Rate	41. 9 %	7 %	

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EXHIBIT PAGE ONLY

EXHIBIT 9

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

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EL 391854336 US



PRIORITY
★ MAIL ★
EXPRESS™

ORIGIN (POSTAL SERVICE USE ONLY)

☐ 1-Day☐ 2-Day☐ Military☐ DPO

PO ZIP Code

Scheduled Delivery Date

Postage

96813

11/23/16

\$ 22.95

Date Accepted (MM/DD/YY)

Scheduled Delivery Time

Insurance Fee

COD Fee

11/21/16

☐ 10:30 AM
☒ 12 NOON

\$

\$

Time Accepted

10:30 AM Delivery Fee

Return Receipt Fee

Live Animal Transportation Fee

11:20 AM

\$

\$

\$

Weight

Flat Rate

Sunday/Holiday Premium Fee

Total Postage & Fees

3 lbs.

\$

\$

\$

Acceptance Employee Initials

Employee Initials

\$ 22.95

DELIVERY (POSTAL SERVICE USE ONLY)

Delivery Attempt (MM/DD/YY)

Time

☐ AM☐ PM

Employee Signature

Delivery Attempt (MM/DD/YY)

Time

☐ AM☐ PM

Employee Signature

LABEL 11-B, SEPTEMBER 2015

PSN 7690-02-000-9996

2-CUSTOMER COPY



Driver's License Renewal Application

Driver's License Number
0801107164

Residential Address
1849 CITADEL CIR
CARSON CITY NV 89703-8300

Sep 28, 2016

CLIFFORD LAUGHTON
18124 WEDGE PKWY # 456
RENO NV 89511-8134

The Physical Evaluation form on page 3 is required if you choose to renew your license by mail.

Amount Due: \$18.25

Our records indicate you may be eligible to renew your license without appearing in a DMV field office, please see requirements below.

If you will be 71 years of age or older at the time your license expires, you need to have your physician complete the Physical Evaluation form on page 3 of this notice. You must submit the form within 90 days of your physical examination. If you choose to renew your license in person, the Physical Evaluation form is not required and a vision screening will be administered at the DMV office.

By Mail

To renew your license by mail, please answer the questions on page 2 of this application and be sure to sign and date the bottom of page 2. Include a check or money order or fill out the credit card voucher (use form VP205) for the amount of the renewal fee shown above. To avoid late penalties, your renewal application must be postmarked on or before the expiration date of your license. Mail application to:
NV DMV, DL Renewal by Mail, 555 Wright Way, Carson City, NV 89711

If information **other than your address** has changed, you must visit a DMV office to renew your license.

If you would like to apply for a REAL ID license, visit DMVNV.com/REALID for details.

Please allow 5 weeks to process and mail your new license. If you do not receive your license within 5 weeks contact the DMV: Las Vegas area 702-486-4368; Carson City, Reno/Sparks areas 775-684-4368; rural NV 1-877-368-7828.

Destroy your expired license when you receive your new one - NRS 483.230 prohibits the possession of more than one license.

Voter Registration

If you are renewing by mail and would like to register to vote, the questions on page 2 will guide you in filling out page 4 of this application. Please return your voter registration application to the DMV **at the same time** as your renewal application. You also may register to vote on the Secretary of State's website at nvsos.gov.



0801107164



NEVADA PHYSICAL ADDRESS 1849 Citadel Circle		MAILING ADDRESS (IF DIFFERENT FROM PHYSICAL ADDRESS) 18124 Wedge Pkwy, #456	
CITY, STATE, ZIP CODE Carson City, NV 89703-8300		CITY, STATE, ZIP CODE Reno, NV 89511	
DAYTIME PHONE NUMBER (OPTIONAL) (775) 849-9220		EMAIL ADDRESS (OPTIONAL) laughton@att.net	
ORGAN DONOR	Would you like to be an organ donor and have that indicated on your license? <input checked="" type="checkbox"/> Yes, I wish to be an organ donor or <input type="checkbox"/> No, I do not wish to be an organ donor at this time.		
	Would you like to donate \$1 or more to the anatomical gift account? If so, how much? \$ <u>10.00</u> Be sure to add this amount to your payment. Otherwise, your driver's license will be renewed without the donation.		
VOTER REGISTRATION OR ADDRESS CHANGE	Pursuant to federal law, you may register to vote through the DMV. If you have not previously registered to vote in Nevada or if you would like to make an update to a current Nevada voter registration, you may do so by completing the additional information on page 4 of this application, including the signature box.		
	Subject to the explanation provided below regarding a move to a different county, any change to address information will be sent to the County Clerk/Registrar's Office for voter registration purposes unless you check this box. <input type="checkbox"/> I DO NOT WANT my address change updated for voter registration purposes.		
	Did you move to a different county? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," all sections on page 4 of this application must be completed for the new county to process your updated voter registration.		
VETERAN	I declare myself an honorably discharged U.S. Armed Forces veteran and authorize the DMV to send my <input type="checkbox"/> YES <input type="checkbox"/> NO personal information to the Department of Veterans Services to provide benefits information to me.		
	I have a U.S. Armed Forces honorable discharge and wish to have a veteran designation placed/retained on <input type="checkbox"/> YES <input type="checkbox"/> NO my license. If your card does not already have a veteran designation, you must present proof of honorable discharge.		
Do you have any disability, illness, missing extremity, or take any medication that could affect your driving ability, other than glasses? <input type="checkbox"/> YES <input type="checkbox"/> NO If yes, please explain			
If you wish, some medical conditions may be indicated on your driver's license. Form DLD7 (Confidential Physician's Report) must be completed by your physician and presented along with your application in person at a DMV field office.			

I hereby certify, under penalty of perjury, that all statements in this application are true and correct. I understand that any and all other driver's licenses or identification cards issued by any other jurisdiction will be surrendered upon issuance of a Nevada license or identification card. I agree and understand that any misstatement of material facts may cause cancellation and/or denial of my license or identification card under NRS 483.420 and NRS 483.530, respectively. I further understand that any misstatement of facts may be a misdemeanor or felony under NRS 483.530 and may be punishable pursuant to NRS 193.130. I acknowledge that if I sign the voter registration portion on page 3 of this application, such shall constitute, pursuant to NRS 481.063 (2), a written request and release for the DMV to send personal information here recorded to the County Clerk/Registrar for voter registration purposes. Applying to register or declining to register to vote will not affect the amount of assistance I will be provided by this agency.

Signature Cyford Laughton Date 11/20/2016

**Physical Evaluation Form
 Driver's License Renewal by Mail**
 NRS 483.383-483.384, NAC 483.420-483.455

Sections 1 and 2 must be signed and dated not more than 90 days before the date this form is submitted to the Nevada DMV. Section 1, the Vision report, must be completed, signed, and dated by a licensed ophthalmologist, optometrist, or physician. Section 2, the Medical report, must be completed, signed and dated by a licensed physician. Please return this Physical Evaluation Form with your application and fees payment to renew your driver's license by mail. Unless otherwise instructed, all parts of this form must be completed in full to avoid any delays of your renewal.

Please clearly PRINT the following information:

Driver's Name Clifford Laughton 12184 WEDGE PKWY # 456
 Address ~~1088 E. 1st St. PH Honolulu, HI 96813~~ RENO, NEVADA 89511-8134
 Driver's License Number 0P01107164 Date of Birth 11/26/43 Age 72


Section 1 Vision (must be completed by licensed ophthalmologist, optometrist or physician)
 Without Corrective Lenses

Right Eye..... 20/40
 Left Eye..... 20/40
 Both Eye..... 20/30

With Corrective Lenses

20/25
 20/25
 20/25

Does this person have a progressive disease or condition of the eye?Yes ☒ No


 Signature of Licensed Ophthalmologist, Optometrist, or Physician
 (Must be within the last 90 days)

11/20/16
 Date of Vision Examination

Jodi Kamemoto
 PRINTED Name of Ophthalmologist, Optometrist, or Physician
4211 Waialae Ave # 5090

(808) 739 6011
 Area Code and Phone Number
797

Office Address of Ophthalmologist, Optometrist, or Physician

License Number

Section 2 - Medical (must be completed by a licensed physician)

Does a medical condition exist that would prevent this patient from operating a motor vehicle safely?Yes ☒ No

If Yes, please explain: _____

Is this patient taking any medication that would affect his/her ability to drive safely?Yes ☒ No

If Yes, please explain: _____


 Signature of Licensed Physician
 (Must be within the last 90 days)

 Date of Medical Evaluation

EUGENE M.C. LEE, M.D.
 PRINTED Name of Physician
Kuakini Medical Plaza
321 N. Kuakini Street, Suite 305
Honolulu, Hawaii 96817

(808) 523-5688
 Physician's Area Code and Phone No.

Office Address of Physician

ND9489
 Physician's License Number

NEVADA

USA
NV

DRIVER LICENSE

1 LAUGHTON

2 CLIFFORD

8 18124 WEDGE PKWY # 440

RENO, NV 89511-9134

7 Sex M 10 Hgt 5'10" 11 Wgt 180 Eyes BLU

9 Class C 5a Exp NONE 11a Exp BRO 12a Exp 11/05/2012

12 Restr NONE 13a Exp 11/05/2012 13b Exp 11/05/2012

Clifford Laughton

4a DL NO 0801107184

3 DOB 11/26/1943

5b Exp 11/26/2016

CLIFFORD LAUGHTON
1088 BISHOP ST. STE 4100
HONOLULU, HI 96813-3140

charles SCHWAB
BANK

1262

94-221/1242
3000

11/29/2016

Date

Pay to the
Order of

NV DMV DL

\$ 20.25

TWENTY FLOTH AND 25/100

Dollars

Security
Features
Details on
Back

Charles Schwab Bank
Reno, Nevada

High Yield Investor Checking

For

DRIVERS LICENSE

Clifford Laughton

⑆ 1212022110 440014279846 1262

Harland Clarke

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EXHIBIT PAGE ONLY

EXHIBIT 10

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

Ken Gross

From: Ken Gross <kengross@cfl.rr.com>
Sent: Sunday, April 25, 2021 5:54 PM
To: 'Gross, Ken'
Subject: Residential address

From: Clifford Laughton <cliffordlaughton@rocketmail.com>
To: "rps@renolegal.com" <rps@renolegal.com>
Sent: Friday, September 25, 2015, 10:17:06 AM HST
Subject: Re: Residential address

Hi Rich

I will do a couple of trial runs to my name at your address. Then I will put in a change of address to my Reno P.O. Box, so you won't have to physically deal with any mail that gets sent to me at your address.

The Voter Registration form asks for a residential address as well as a mailing address for those that use one. The residential address is a "must have" whereas the P.O. Box is an option. If you only put down the P.O. Box as an address, your registration will not be accepted.

Thanks again for your assistance with this.

Best regards

Cliff

----- Original message -----
From: "Richard P. Schulze, Esq." <rps@renolegal.com>
Date: 09/25/2015 9:36 AM (GMT-10:00)
To: Clifford Laughton <cliffordlaughton@rocketmail.com>
Subject: Re: Residential address

Let me know when you register to vote, etc. so I can get any mail to you as soon as possible

Rich

Richard P. Schulze, JD, MBA

Let me know when you register to vote, etc. so I can get any mail to you as soon as possible
Rich

Richard P. Schulze, JD, MBA

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EXHIBIT PAGE ONLY

EXHIBIT 11

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

Ken Gross

To: Gross, Ken
Subject: FW: Nevada voter registration

From: **Clifford Laughton** <cliffordlaughton@rocketmail.com>
Date: Thu, Jan 7, 2016 at 9:30 AM
Subject: Re: Nevada voter registration
To: Ann Rafael-Straka <rafael-straka@hihold.com>

Great, m'dear. These need to be kept active always. I am going to use Rich Schulze's home as my residence address. With his permission, of course.

Thanks

Cliff

----- Original message -----

From: Ann Rafael-Straka <rafael-straka@hihold.com>
Date: 01/07/2016 8:49 AM (GMT-10:00)
To: Clifford Laughton <cliffordlaughton@rocketmail.com>
Subject: Re: Nevada voter registration

Business: 775-337-2660 (Number is call forwarded to Office 808-523-5000)

Residence: 775-849-9220 (Number is call forwarded to your cell 808-295-2200)

Cell: 775-741-7500 (No idea where this cell phone is located but number is working and we have been paying the account)

Thanks
Ann

Ann Rafael-Straka
Hawaii Holdings, LLC
1088 Bishop Street, Suite 4100
Honolulu, HI 96813
Phone No: 808-523-5000
Facsimile No: 808-523-5010
Email: rafael-straka@hihold.com

The information contained in this e-mail message is intended only for the personal and confidential use of the recipient(s) named above. If you are not the intended recipient, you are hereby notified that you have received this

document in error and that any review, dissemination, distribution or copying of this message is strictly prohibited. If you have received this communication in error, please notify us immediately by e-mail and delete the original message. Thank you

On Wed, Jan 6, 2016 at 8:11 PM, Clifford Laughton <cliffordlaughton@rocketmail.com> wrote:

Kiddo

I have to perfect my Nevada voter information. I need the following numbers:

Business:

Residence:

Cell:

Thanks.

Cliff

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EXHIBIT PAGE ONLY

EXHIBIT 12

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

Ken Gross

To: Gross, Ken
Subject: FW: Voter registration

From: Richard P. Schulze, Esq. <rps@renolegal.com>
To: "laughton@att.net" <laughton@att.net>
Sent: Friday, April 29, 2016, 04:06:55 AM HST
Subject: Re: Voter registration

Good morning Cliff!

Yes, you may use my address for your Nevada address.

1849 Citadel Circle
Carson City, NV
89703

County = Carson City

Property values are finally starting to come back so it may be worthwhile to build something.

Rich

Richard Schulze
Schulze Advisory Group
140 West Huffaker Lane, Suite 510
Reno, NV 89511
Phone (775) 853-5700
Fax (775) 853-5588

The problem is America has forgotten its Senior Citizens leaving them and their families financially and emotionally devastated. We don't let that happen.

This E-mail (including attachments) is covered by the Electronic Communications Privacy Act, 18 U.S.C. §§2510-2521 and is confidential and may be legally privileged. If you are not the intended recipient, you are hereby notified that any retention, dissemination, distribution or copying of this communication is strictly prohibited. Please reply to sender if you have received this message in error; then permanently delete it. Thank you.

On Apr 28, 2016, at 1:34 PM, Clifford Laughton <laughton@att.net> wrote:

Hi Rich

If the offer is still open to let me use your residence address for my Nevada residence address, I will now formally do this. I have to do a voter change of address, if I am going to vote in Nevada come November.

Please confirm that this is still an option and, if so, please give me that address again, just to make sure I have it current and correct. It looks like the form also requires a County.

Thanks again, Rich. I've got to either buy something or build something one of these days on one of the Montreux lots.

Talk soon.

Cliff

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EXHIBIT PAGE ONLY

EXHIBIT 13

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

Ken Gross

To: Gross, Ken
Subject: FW: Request to use Schulze address

> On Sep 20, 2018, at 10:02 PM, Clifford Laughton <cliffordlaughton@rocketmail.com> wrote:

>
>
> Hi Rich
>
> No, we haven't received anything from your office.
>
> I'm sorry we didn't connect when you were in Honolulu. I imagine you had your hands full getting your Dad settled-in. Next time.
>
> Thanks again for letting me use your address for my residence address. I hope I'm not too late to get an absentee ballot. I should have started on this a bit earlier.
>
> Health is failing, everything else is fine.
>
> Any plans for returning to Honolulu? Let me know the next time you are coming in and we'll plan lunch or something.
>
> Thanks again.

>
> Cliff
>
>
> ----- Original message -----
> From: Richard Schulze <rps@renolegal.com>
> Date: 9/19/18 19:55 (GMT-10:00)
> To: Clifford Laughton <cliffordlaughton@rocketmail.com>
> Subject: Re: Address

>
> Hi Cliff,
>
> Forgive me is this is a duplicate. My server hard drive AND my computer hard drive failed so I am not sure what was sent or not over the last weeks.

>
> Yes, you may use my address. It is 1820 North Division Street, Carson City, NV 89703
>
> Did you get the mail with the HIPAA Release? I cannot find the email or document or a confirming email from you. I would have sent it shortly after you asked for it.

>
> I hope is well and your health and comfort and both improving.

>
> Rich

>
>> On Sep 14, 2018, at 10:22 PM, Clifford Laughton <cliffordlaughton@rocketmail.com> wrote:

>>
>>

>> Hi Rich
>>
>> Can I use your home address for the upcoming?
>>
>> If I may, can you please give me that once again?
>>
>> Thanks.
>>
>> Cliff
>>
>

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EXHIBIT PAGE ONLY

EXHIBIT 9

HUTCHISON & STEFFEN
A PROFESSIONAL LLC

1 Code No.
2 RICHARD G. HILL, ESQ.
3 State Bar No. 596
4 RICHARD G. HILL, LTD.
5 652 Forest Street
6 Reno, Nevada 89509
7 (775) 348-0888
8 rhill@richardhilllaw.com

9
10 IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
11 IN AND FOR THE COUNTY OF WASHOE
12

13
14 IN THE MATTER OF THE ESTATE OF } Case No.: No. PR20-00415
15 CLIFFORD LAUGHTON, } Dept. No. PR
16 Deceased. }
17

18
19 **JOINDER**
20

21 1. The Laughton Foundation ("Foundation") joins in the *Motion to Revoke*
22 *Letters Testamentary and to Revoke Probate for Lack of Jurisdiction Under NRS*
23 *136.010 et seq.* ("Motion"), filed herein by Ann Rafael-Straka on May 10, 2021.

24 2. The factual issues raised by Ms. Rafael-Straka appear to be serious and if true,
25 would negate this Court's jurisdiction over the estate of Mr. Laughton and any authority
26 to issue letters testamentary.

27 3. The Foundation will not re-hash the Motion, but submits to the Court some
28 ethical issues appear to be in play that were not raised. For example, RPC 3.3 requires a
lawyer to be candid in his dealings with the tribunal. Based on the motion, it would
appear that Mr. Schulze, and possibly his counsel, may not have been entirely candid
with this Court about Mr. Laughton's estate and estate-planning efforts.

///
///
///
///

1 If the allegations in the Motion are true, they implicate criminal conduct on
2 behalf of Mr. Schulze, and, maybe others. See, HRS §231-36, a copy of which is attached
3 as EXHIBIT 1. HRS §231-36(a) makes it a crime to lie to Hawaiian tax authorities. HRS
4 §231-36(B) makes aiding and abetting such conduct a crime.¹

5 If the facts laid out in the Motion are proven, it implicates Mr. Schulze in one or
6 more violations of RPC 8.4. That would include subsections (b) (commit a criminal act
7 reflecting adversely on a lawyer's fitness, honesty, trustworthiness or to practice law);
8 (c) (conduct involving dishonesty, fraud, deceit or misrepresentation); and (d) (conduct
9 prejudicial to the administration of justice). Nevada law is clear that unethical or
10 incompetent services by Nevada attorneys should not be paid. *Van Cleave v. Osborne,*
11 *Jenkins & Gamboa, Chtd.*, 108 Nev. 885, 887, 840 P.2d 589 (1992).

12 4. During the hearing in this case on May 13, 2021, at which the Court stayed all
13 further proceedings in this case, the Court requested the parties identify what, if any,
14 discovery may be necessary to assist the Court in resolving the issue of this Court's
15 jurisdiction.

16 Obviously, Mr. Schulze's testimony, after the production of his entire file will be
17 relevant to the Court's inquiry. (The testimony of others may also be warranted,
18 depending on what is in Schulze's files.) While Mr. Schulze may, in the first instance,
19 claim the application of the attorney-client privilege or the attorney-work product
20 doctrine, depending on the facts, those protections may not be available. If nothing else,
21 the contents of the Motion clearly suggest waivers of both immunities.

22 The Court is asked to recall two basic concepts. The party asserting the pro-
23 tection of any privilege, or quasi-privilege, has the burden of proving the applicability
24 of same. See, *Fox v. California Sierra Fin. Svcs.*, 120 F.R.D. 520 (N.D.Cal. 1988)

25 ///

26 ¹ The attached statute is not, in any way, to be considered an exhaustive presentation of
27 Hawaiian law.
28

1 (attorney-client privilege); *Pete Rinaldi's Fast Foods v. Great American Ins. Co.*, 123
2 F.R.D. 198 (M.D.N.C. 1988) (work-product immunity). And, because assertions of
3 privilege or immunity impede the search for truth, they are narrowly and strictly
4 construed. *Ashokan v. State*, 109 Nev. 662, 688, 856 P.2d 244, 247 (1993), citing
5 *United States v. Nixon*, 418 U.S. 683, 710 (1974).

6 At this point, it appears that Mr. Schulze was hired to use his skills, knowledge,
7 and Nevada law license to help his client, Mr. Laughton, defraud the state of Hawaii as
8 to both income taxes and inheritance taxes. NRS 49.115(1) sets forth the "crime-fraud"
9 exception to the attorney-client privilege. See, *Sloan v. State Bar*, 102 Nev. 436, 442,
10 726 P.2d 330 (1986). When an attorney knows, or should know, his services are being
11 employed to commit a crime or a fraud, there is no privilege. Exactly what did Mr.
12 Schulze think he was doing for Mr. Laughton? The data produced so far seems to show
13 his knowing participation in improper conduct.

14 The foundation required to find a claim of privilege falls within the crime-fraud
15 exception: 1) At the time of the communication, the holder of the privilege (i.e., the
16 client) knew, or should have known, the contemplated course of conduct was fraudulent
17 or criminal; and 2) the purpose of the communication was to obtain the information or
18 advice to facilitate the fraud or crime. *Imwinkelreid* on Evidentiary Foundations §7.05
19 (2020), citing *United States v. Zolin*, 491 US 554, 109 S.Ct. 2619, 105 L.Ed.2d 469
20 (1989). Further, only a prima facie presentation is required. *Id.*

21 The attorney-client privilege, if it ever existed between Schulze and Laughton, has
22 now likely been waived. In addition to the numerous examples attached to the Motion,
23 in *Wardleigh v. District Court*, 111 Nev. 345, 891 P.2d 1180 (1995), the Nevada Supreme
24 Court recognized an at-issue waiver of the attorney-client privilege. Such a waiver arises
25 when the holder pleads claims or defenses that will eventually force him, or her, to rely
26 on privileged materials at trial to prevail. *Id.*, 111 Nev. At 355. Here, the emails in
27 particular attached to the Motion show Mr. Laughton and Mr. Schulze agreeing to work

28 ///

1 together to cheat the State of Hawaii. In *Wardleigh*, the court held: "When the party
2 asserting the privilege bears the burden of proof on an issue and can meet that burden
3 only by introducing evidence of a privileged nature," Here, Mr. Schulze, as the
4 claimed-personal representative of Mr. Laughton, has the burden of proving this Court's
5 jurisdiction. That burden will require Mr. Schulze to explain his relationship with Mr.
6 Laughton and exactly what Laughton requested him to do. The fact that some of the
7 emails and other potentially-privileged communications between Schulze and Laughton
8 were provided to third parties, and, now produced in this case, shows that in order for
9 Schulze to prove-up this Court's jurisdiction, if he elects to do so, will require the
10 examination of yet-unproduced client communications. This is a case of an implied
11 waiver by placing the possibly privileged information at issue.

12 WHEREFORE, the Laughton Foundation joins in the *Motion to Revoke Letters*
13 *Testamentary and to Revoke Probate for Lack of Jurisdiction Under NRS 136.010 et*
14 *seq.*, and prays for dismissal of this action; the return of all fees and costs this Court has
15 authorized; and for such other, further, and additional relief as seems just to the Court
16 in the premises.

17 **AFFIRMATION (Pursuant to NRS239B.030)**

18 The undersigned does hereby affirm that the preceding document filed in this
19 Court does not contain the social security number of any person.

20 DATED this 19th day of May, 2021

21 RICHARD G. HILL, LTD.



22 RICHARD G. HILL, ESQ.

23 State Bar No. 596

24 652 Forest Street

25 Reno, Nevada 89509

26 (775) 348-0888

27 Attorney for the Laughton Foundation

1 **CERTIFICATE OF SERVICE**

2 Pursuant to NRCp 5(b), I hereby certify that I am an employee of RICHARD G.
3 HILL, ESQ., and that on the 19th day of May, 2021, I electronically filed the foregoing
4 **Joinder** with the Clerk of the Court by using the ECF system which will send a notice of
5 electronic filing to the following:
6

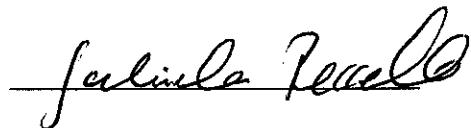
7 Robert A. Dotson, Esq.
8 Justin C. Vance, Esq.
9 Dotson Law
5355 Reno Corporate Drive, Ste. 100
10 Reno, Nevada 89511
rdotson@dotsonlaw.legal
jvance@dotsonlaw.legal
11

12 and that on the 19th day of May, 2021, I deposited in the United States mail at Reno,
13 Nevada, in sealed envelopes, postage prepaid, true and correct copies of the foregoing
14

15 **Joinder to:**

16 Richard Caifano, Esq. TTEE
One Court La Salle
17 Palos Hills, IL 60465

18 Joseph R. Ganley
19 Todd L. Moody
Russel J. Geist
20 Scot L. Shirley
Hutchison & Steffen, PLLC
21 10080 W. Alta Drive, Suite 200
22 Las Vegas, NV 89145

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EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION	PAGES
1	HRS Sec. 231-36	2

EXHIBIT 1

EXHIBIT 1

HRS § 231-36

This document is current through Ch. 9 of 2021 Legislative Session. Subject to changes by Revisor pursuant to HRS 23G-15.

Michie's™ Hawaii Revised Statutes Annotated > Division 1. Government (Titles 1 — 21) > Title 14 Taxation (Chs. 231 — 257) > Chapter 231 Administration of Taxes (§§ 231-1 — 231-100) > Penalties and Interest (§§ 231-34 — 231-41)

§ 231-36. False and fraudulent statements; aiding and abetting.

(a) Any person who wilfully makes and subscribes any return, statement, or other document required to be made under title 14, except chapter 238, which contains or is verified by a written declaration that it is true and correct as to every material matter, and which the person does not believe to be true and correct as to every material matter shall be guilty of a class C felony and, upon conviction, shall be subject to one or any combination of the following:

- (1) A fine of not more than \$100,000;
- (2) Imprisonment of not more than three years; or
- (3) Probation;

provided that a corporation shall be fined not more than \$500,000; and provided further that, if the person wilfully makes and subscribes any return, statement, or other document required to be made under chapter 238, which contains or is verified by a written declaration that it is true and correct as to every material matter and which the person does not believe to be true and correct, then the person shall be guilty of a misdemeanor and, upon conviction, shall be subject to one or any combination of the following:

- (1) A fine of not more than \$2,000;
- (2) Imprisonment of not more than one year; or
- (3) Probation.

(b) Any person who wilfully aids or assists in, or procures, counsels, or advises the preparation or presentation of any tax return, affidavit, claim, or other document required to be made under title 14, which is fraudulent or is false as to any material matter, regardless of whether the falsity or fraud is with the knowledge or consent of the person authorized or required to present the return, affidavit, claim, or document shall be guilty of a class C felony and, upon conviction, shall be subject to one or any combination of the following:

- (1) A fine of not more than \$100,000;
- (2) Imprisonment of not more than three years; or
- (3) Probation;

provided that a corporation shall be fined not more than \$500,000.

History

L 1932 2d, c 40, § 14; RL 1935, § 1902; RL 1945, § 5136; RL 1955, § 115-40; HRS § 231-36; am L 1995, c 92, § 6; am L 1998, c 103, § 1; am L 1999, c 303, § 3.

HRS § 231-36

Annotations

Notes to Unpublished Decisions

Sufficiency of evidence.

Unpublished decision: Sufficient evidence supported convictions for **tax evasion** under Haw. Rev. Stat. § 231-34 and false and fraudulent statements under Haw. Rev. Stat. § 231-36(a), based upon acts from which willfulness under Haw. Rev. Stat. § 231-40 could be inferred. Defendant's gross income was much more than he reported, he often cashed checks instead of depositing them, and he did not keep business records. *State v. Ungounga*, 129 Haw. 106, 294 P.3d 1092, 2013 Haw. App. LEXIS 102 (Haw. Ct. App. 2013), cert. denied, 2013 Haw. LEXIS 189 (Haw. May 23, 2013).

Research References & Practice Aids

Hierarchy Notes:

HRS Div. 1, Title 14, Ch. 231

Michie's™ Hawaii Revised Statutes Annotated
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EXHIBIT PAGE ONLY

EXHIBIT :

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8 **IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**

9 **IN AND FOR THE COUNTY OF WASHOE**

10 IN THE MATTER OF THE ESTATE

Case No.: PR20-00415

11 OF

Dept. No.: PR

12 CLIFFORD LAUGHTON,
13 Deceased.
14

15 **OPPOSITION TO MOTION TO REVOKE LETTERS TESTAMENTARY AND TO**
16 **REVOKE PROBATE FOR LACK OF JURISDICTION UNDER NRS 136.010 ET SEQ. AND**
17 **ALTERNATIVELY MOTION FOR LEAVE TO AMEND**

18 Richard Schulze, Personal Representative of the Estate of Clifford Laughton, by and through
19 his counsel, Dotson Law, hereby files this Opposition to Ann Rafael-Straka's Motion to Revoke
20 Letters Testamentary and to Revoke Probate for Lack of Jurisdiction Under NRS 136.010 et seq. and
21 Alternatively Motion for Leave to Amend.

22 **MEMORANDUM OF POINTS AND AUTHORITIES**

23 **I. INTRODUCTION**

24 On October 15, 2020, the Court entered an Order admitting Cliff Laughton's will to probate
25 and appointing Richard Schulze as executor of his estate. On October 19, 2020, the Court issued
26 Letters Testamentary.

27 Since that time, a number of pleadings and claims have been filed in this matter by or related
28 to movant and her counsel Gross, including the following:

Claim	Date Filed
General Claim filed by Kenneth Gross, Esq. for Unpaid Professional Fees	11/17/2020
General Claim filed by Ann Rafael-Straka for Unpaid Salary and Signing Bonus	11/19/2020
Objection to Request for Fees and Costs of Special Administration	12/1/2020
Opposition to Petition for Instructions Re. Allocation and Payment of Federal Estate Taxes Pursuant to NRS 150.290-150.390	12/31/2020
Supplement to Opposition to Petition for Instructions Re. Allocation and Payment of Federal Estate Taxes Pursuant to NRS 150.290-150.390	1/5/2021
General Claim of the Laughton Foundation	1/20/2021
General Claim of Hawaii Holdings, LLC	1/26/2021
General Claim of Ann Rafael-Straka for Termination/Severance Benefit and Unused Vacation Time	1/31/2021
Petition for Determination of Validity of Claim for Unpaid Professional Services Re. Ken Gross	2/3/2021
Petition for Determination of Validity of Claim for Repayment of Missing Funds Re. The Laughton Foundation	2/4/2021
Petition for Determination of Validity of Creditors Claim Re. Ann Rafael-Straka's Unpaid Salary and Bonus Claim	2/5/2021
Petition for Determination of Validity of Creditors Claim Re. Ann Rafael-Straka's Severance Claim	2/5/2021
Petition for Determination of Validity of Creditors Claim Re. Hawaii Holdings	2/5/2021
Joint Opposition to Motion for Order Extending Time	2/26/2021
Objection to Subpoena Requests and Motion for Protective Order	3/15/2021
Opposition to Request for Interim Attorney's Fees by Straka	3/30/2021
Opposition to Request for Interim Attorney's Fees by Gross	3/30/2021

Throughout the numerous filings as set forth above, no question was ever raised as to this Court's subject matter jurisdiction.¹ However, on April 21, counsel for, Ann Rafael-Straka ("Straka") raised the issue with the Court at a hearing related to an interim fee request. On May 10, 2021 Straka filed a Motion to Revoke Letters Testamentary and to Revoke Probate for Lack of

¹ Although Mr. Gross made threats as long ago as October regarding objecting to jurisdiction on residency grounds no proof or dispute was raised and as described here jurisdiction appears appropriate. Rather than raise the issue with the Court movant availed herself of the Court's jurisdiction and affirmatively indicated her lack of objection to jurisdiction. See Opposition to Petition for Instructions Re. Allocation and Payment of Federal Estate Taxes Pursuant to NRS 150.290-150.390 filed December 31, 2020.

1 Jurisdiction based on allegations that Mr. Laughton was a resident of Hawaii rather than Nevada.
2 She attaches a number of attorney-client privileged emails between Mr. Laughton and his counsel,
3 Mr. Schulze, that Straka would not otherwise have access to unless she (and/or Ken Gross who it
4 appears has accessed these) was wrongfully in possession of Mr. Laughton's computer or had and
5 was gaining access to his email accounts. Notwithstanding long standing and extensive discovery
6 requests, the lack of response to which has led to multiple efforts to meet and confer, none of these
7 emails had been produced in this action prior to their inclusion in support of the instant motion.

8 The Laughton Foundation (purportedly) filed a Joinder on May 19, 2021. However, all
9 documents purportedly filed by the Laughton Foundation are rogue documents, as individuals with
10 authority to hire counsel on behalf of the Laughton Foundation did not retain Richard Hill, Esq.
11 This is described in greater detail in the Response to Petition of Laughton Foundation filed April 30,
12 2021, which is incorporated herein by reference. Essentially, neither Ann Straka or Kenneth Gross,
13 acting individually or together, have the authority or ability to retain counsel on behalf of the
14 Laughton Foundation, especially considering that Gross is not an officer or director of the
15 foundation. (*See Preliminary Response and Opposition to Petition for Determination of Validity of*
16 *Claim for Payment of Missing Funds by Laughton Foundation (April 30, 2021) at 3:7-4:22.*)

17 In a clear effort to inflame the Court, Straka makes the suggestion that Laughton had
18 pretended to move to Nevada in order to evade paying high taxes in his home state of Hawaii.
19 (Motion at 1:24-27.) The Joinder filed (purportedly) by the Laughton Foundation goes so far as to
20 suggest Schulze's counsel may not have been candid with this Court (Joinder at 1:23-24) even
21 though the undersigned had not appeared and was not even retained at the time Schulze filed the Ex
22 Parte Motion for Appointment of Special Administrator or other documents filed individually by
23 Schulze.² To make matters worse, these allegations are made by an attorney who does not have any
24 authority to act on behalf of the Laughton Foundation. Rule 1.13 of the Nevada Rules of
25 Professional Conduct ("NRPC") provides that a lawyer retained by an organization represents the
26 organization acting through its duly authorized constituents. Richard Hill's purported retention was
27

28 ² Counsel for Schulze was retained on October 27th and appeared in this case on January 5, 2021.

1 not through the Laughton Foundation’s “duly authorized constituents.”³ Further, where a lawyer’s
2 representation results in a violation of the Rules of Professional Conduct, as does Mr. Hill’s
3 representation here, that lawyer “shall withdraw” from the representation of the client. *See* NRPC
4 1.16.) As set forth in Section B(2) of the Preliminary Response and Opposition to Petition for
5 Determination of Validity of Claim for Payment of Missing Funds by Laughton Foundation filed
6 April 30, 2021, corporate powers for the Laughton Foundation are to be exercised under the
7 authority of its board of directors, of which Kenneth Gross was not one, and two of the three
8 directors (Schulze and Caifano) confirmed there was no valid corporate action undertaken to retain
9 Richard Hill. (*See* Preliminary Response and Opp. filed April 30, 2021 at 4:1-22.)

10 Interestingly, despite opening the motion with the allegation that Mr. Laughton pretended to
11 be a Nevada resident to evade taxes Straka’s Motion acknowledges that Laughton’s Hawaii tax
12 filings (attached as **Exhibit 8** to the Motion) were in fact filed as a “full-time Hawaii ‘RESIDENT’
13 for tax years going back to 2016, including Mr. Laughton’s tax return for 2019 prepared for Mr.
14 Schulze as personal representative to file on behalf of the deceased Mr. Laughton.” (Motion at 6:17-
15 7:2.) Straka further acknowledges that none of Laughton’s Hawaii Individual Income tax Returns
16 use a non-resident or part-year resident form. (*Id.* at 7:3-5.) Thus, it is unclear how Straka can even
17 suggest that the use of a Nevada residence by Laughton was somehow used to defraud Hawaii tax
18 authorities. Interestingly, to the extent Mr. Laughton’s claimed Nevada residency was a sham, it is
19 clear that Straka knew of this and even facilitated call forwarding for Laughton in order to keep up
20 the appearance of Nevada residency. (*See* **Exhibit 11** to Motion, Emails between Laughton and
21 Straka dated January 6-7, 2016.) It is also interesting to note that the prior tax returns were not
22 available to Schulze until after the initial court filings. (Schulze Aff. at ¶ 8).

23 When the decedent began his professional relationship with Schulze the decedent owned a
24 home in the Montreux development in Washoe County and Schulze understood this to be
25 Laughton’s residential address. (Schulze Aff. at ¶ 9).

27 ³ To the extent Mr. Hill may have been retained under a misrepresentation regarding authority that basis can no longer
28 exist.

1 In any event, regardless of whether Mr. Laughton was a resident of Hawaii or Nevada, and
2 regardless of the propriety of Laughton trying to claim a Nevada residence, there is a jurisdictional
3 basis for probate in Nevada, independent of his claimed residence at the time of his death, such that
4 Straka's motion should be denied.

5 **II. RELEVANT FACTUAL BACKGROUND**

6 This case is becoming more and more factually convoluted every day as additional instances
7 of wrongdoing by Straka and Gross are discovered which appear to demonstrate their efforts to
8 deplete the estate of Cliff Laughton and in fact divert those assets to themselves. This evidence is
9 relevant to motivation for the subject motion but is admittedly not a basis for jurisdiction. Therefore,
10 regardless of the temptation to fully describe all such instances of wrongdoing at this time, Schulze
11 will endeavor to provide the Court only with facts which are relevant to the determination of this
12 motion.

13 The decedent, Clifford Laughton ("Laughton") passed away on July 13, 2020. A couple of
14 weeks after his death, on August 1, 2020, Straka sent an email to Richard Schulze and Richard
15 Caifano, who along with Straka, are co-trustees of Laughton's trust. (Affidavit of Richard Schulze
16 ("Schulze Aff.") at 5, 15 and 16.) In this email, Straka claims that in December 2019 Laughton
17 gifted to her bearer certificates for CL MGT. (See **Exhibit 1** to Schulze Aff., Email from Straka
18 dated Aug. 1, 2020.) Schulze found such a representation to be suspect, not only because this was
19 first raised approximately 8 months following the alleged gift, but because Straka and Gross
20 represented that CL MGT owned both Hawaii Holdings, LLC, a Hawaii limited liability company
21 and Hawaii Holdings, LLC, a Nevada limited liability company, the entity through which Laughton
22 ran virtually all of his personal financial dealings. It was my understanding that CL MGT was
23 owned solely by Laughton. (Schulze Aff. at ¶ 17.)

24 Despite Straka's claim that CL MGT was gifted to her, a claim which is disputed, it is
25 undisputed that CL MGT. is, and has been, a Nevada corporation. (See **Exhibit 1**, Entity
26 Information for CL MGT. CORP. on file with the Nevada Secretary of State.)⁴ In her verified

27
28 ⁴ As a public record, this is subject to judicial notice pursuant to NRS 47.130. See also *Ferris v. Wynn Resorts Ltd.*, 462 F. Supp. 3d 1101, 1117 (D. Nev. 2020) (a court can take judicial notice of matters of public record).

1 General Claim filed on January 26, 2021, Straka, purportedly as President of CL MGT and allegedly
2 on behalf of Hawaii Holdings, LLC, a Nevada limited liability company (“HHNV”),⁵ claims that CL
3 MGT is the sole owner of HHNV. (See General Claim of Hawaii Holdings (Jan. 26, 2021) at Ex. 1,
4 p. 1.) In the Petition for Determination of Validity of Creditor Claim and Petition for Instruction to
5 Personal Representative to Pay Valid Claim (“Petition for Determination”) filed February 5, 2021,
6 Straka again notes that CL MGT is the sole member of Hawaii Holdings, LLC. (Petition for
7 Determination at 1:18-19.) This is further supported by the entity information for Hawaii Holdings,
8 LLC dba Hawaii Holdings, LLC (NV) on file with the State of Hawaii. This shows CL MGT as its
9 member and that it is a foreign limited liability company from Nevada. (See **Exhibit 2**, Entity
10 Information with Hawaii Department of Commerce & Consumer Affairs, Business Registration
11 Division, available at <http://hbe.hawaii.gov/documents> as File No. 6247 C6.)⁶

12 It appears that this information and the representations made by Straka and Gross are false
13 and HHNV was owned solely by Clifford Laughton at the time of his death and that Straka and
14 Gross were fully aware of this fact at all relevant times. On or about March 12, 2021, Richard
15 Schulze collected the mail addressed to Clifford Laughton from the offices of Executive Centre
16 Apartments, LLC (ECA) in Honolulu, Hawaii. (Schulze Aff. at ¶ 21.) Included in that mail was a
17 Notice of Intent to Levy sent by the IRS to “Hawaii Holdings, LLC, a Nevada limited liability
18 company, Clifford Laughton Sole Member.” Upon return to Nevada, Schulze immediately informed
19 Straka of this notice. (Schulze Aff. at ¶ 22; **Exhibit 2** to Schulze Aff., Email to Straka with Notice
20 of Intent to Levy dated March 23, 2021.) Ann replied that she was aware of this Notice and had
21 already used funds held by HHNV to pay it. (Schulze Aff. at ¶ 23; **Exhibit 3** to Schulze Aff.,
22 Emails from Straka to Schluzer dated March 23, 2021.) This would indicate that the decedent owned
23 the Nevada real estate in a Nevada LLC at the time of his death.

24 Prior to his death, Laughton owned, through HHNV, two lots in the Montreux area of Reno,
25 Nevada. (See Schulze Aff. at ¶ 24.) HHNV sold one of its lots on or about September 24, 2020 as
26 set forth in the Grant, Bargain, Sale Deed recorded on Sept. 25, 2020 as Doc. #5082283, Official

27 ⁵ It is disputed that Straka truly and legally controls these entities.

28 ⁶ As a public record, this is subject to judicial notice pursuant to NRS 47.130. See also *Ferris v. Wynn Resorts Ltd.*, 462 F. Supp. 3d 1101, 1117 (D. Nev. 2020) (a court can take judicial notice of matters of public record).

1 Records of Washoe County Recorder's Office. (See **Exhibit 3**, Grant, Bargain, Sale Deed, Doc
2 #5082283.)⁷ Importantly, the Deed was signed by CL MGT as Member of Hawaii Holdings, LLC, a
3 Nevada limited liability company (through its purported but disputed President, Straka). (See
4 **Exhibit 3**, Grant, Bargain, Sale Deed a p. 2.) HHNV sold the other lot on or about September 21,
5 2020, as set forth in the Grant, Bargain, Sale Deed recorded September 21, 2020 as Doc. #5079497,
6 Official Records of Washoe County Recorder. (See **Exhibit 4**, Grant, Bargain, Sale Deed Doc
7 #5079497.) This deed was signed by Straka as Manager of Hawaii Holdings, LLC, a Nevada limited
8 liability company. At the time of these sales, the Notice of Intent to Levy was not known to Schulze
9 and Straka and Gross were falsely representing that HHNV was owned solely by CL MGT.

10 For the reasons set forth herein, part of the estate at issue is located in the State of Nevada
11 and this action is therefore subject to this Court's jurisdiction.

12 **III. ARGUMENT**

13 Nevada law provides that the estate of a decedent (here, Mr. Laughton) may be settled by the
14 district court of any county in this State:

15 (a) In which any part of the estate is located; or

16 (b) Where the decedent was a resident at the time of death.

17 NRS 136.010. For reasons that now seem clear Straka focuses entirely on the residency issue, but
18 she fails to recognize or address that a part of the estate is in fact located in Nevada, which does in
19 fact confer jurisdiction upon this Court.

20 **A. Both the Movant and the Law of the Case recognize that the Court has jurisdiction over the estate.**

21 As set forth above, the Movant, Straka, has already filed a number of documents with the
22 Court acknowledging this Court's jurisdiction. Moreover, in her Opposition to Petition for
23 Instructions Re. Allocation and Payment of Federal Estate Taxes Pursuant to NRS 150.290-150.390,
24 she specifically stated that she did not object to Petitioner's assertion of this Court's jurisdiction over
25 the Decedent's Estate. (See Opposition to Petition for Instructions Re. Allocation and Payment of
26 Federal Estate Taxes filed December 31, 2020 at p.2, ln. 3-4.) In the Order Terminating Special

27
28 ⁷ This is also subject to judicial notice as a public record. See NRS 47.130; *Ferris*, 462 F. Supp. 3d at 1117.

1 Administration and Revoking Letters of Special Administration; Appointing Will to Probate;
2 Issuance of Letters Testamentary and for General Administration filed on October 15, 2020, this
3 Court found, after examining the Petition and hearing evidence, that “Clifford Laughton died on the
4 13th day of July 2020, leaving an estate in the County of Washoe, State of Nevada subject to the
5 jurisdiction of this Court...” Thus, this Court’s finding with respect to jurisdiction was not based
6 solely on Laughton’s residency, but on the existence of an estate in the State of Nevada. Whether
7 this was a basis significantly advanced by Schulze at the time or not, this finding by the Court is
8 accurate, as Clifford Laughton did in fact own Nevada property, a fact which is well known to
9 Straka.

10 In *Vaile v. Eighth Judicial District Court ex. rel. County of Clark*, the Nevada Supreme
11 Court addressed a situation where neither party to a divorce proceeding was actually a Nevada
12 resident. *Vaile*, 118 Nev. 262, 44 P.3d 506 (2002). Accordingly, the Court found that it did not
13 have personal jurisdiction over either party nor subject matter jurisdiction over the marital status of
14 the parties at the time when the district court entered a divorce decree. *Id.* at 268, 44 P.3d at 511.
15 The Nevada Supreme Court found that although the decree was voidable (not void), it should not be
16 set aside. *Id.* at 274, 44 P.3d at 514. This was due to the fact that the responding party had filed an
17 answer admitting to the fact of jurisdiction. *Id.* at 273, 44 P.3d at 514. Thus, applying the rule of
18 judicial estoppel, the Court refused to vacate the divorce decree. Another basis for refusing to
19 declare the divorce decree void was the fact that “the decree was entered when the court believed it
20 had jurisdiction.” *Id.* at 274, 44 P.3d at 514.

21 As will be set forth below, this Court does have jurisdiction. However, even if it did not, it
22 entered its prior orders based on the belief that it did, and in fact properly found, after examining the
23 Petition and hearing evidence that Laughton “[left] an estate in the County of Washoe, State of
24 Nevada subject to the jurisdiction of this Court...” (See Order Terminating Special Administration
25 and Revoking Letters of Special Administration; Appointing Will to Probate; Issuance of Letters
26 Testamentary and for General Administration filed (Oct. 15, 2020) at 1:20-23.) This is the law of
27 the case. What’s more, in filing Claims in this matter, and Petitions for Determination of Validity of
28 those claims, Straka and Gross are judicially estopped from now claiming that this Court does not

1 have jurisdiction, and, in fact, acknowledged that this court has jurisdiction over these proceedings
2 through seeking the assistance of this court in protecting their interests.

3 **B. The estate owns Nevada Property which subjects it to this Court's jurisdiction.**

4 Regardless of the above, it is clear that this Court does in fact have jurisdiction over this
5 matter. Movant suggests that the reference to “any part of the estate” in NRS 136.010 refers to “real
6 property.” (Motion at 13:3.) However, there is nothing in the statute or case law interpreting it
7 which suggests the “estate” property is only “real property.” In fact, the opposite is true. Pursuant
8 to NRS 150.300(1), “estate” means “all property included for federal estate tax purposes in
9 determining the federal estate tax pursuant to federal estate tax law.” Federal tax law provides:

10 The value of the gross estate of the decedent shall be determined by
11 including to the extent provided for in this part, the value at the time
12 of his death of all property, real or personal, tangible or intangible,
wherever situated.

13 26 USC § 2031 (emphasis added).

14 **1. CL MGT. CORP. and Nevada Holdings, LTD and Hawaii Holdings, LLC,**
15 **Nevada are assets of the estate which subject this matter to this Court's**
16 **jurisdiction.**

17 CL MGT CORP is a Nevada Corporation. (Schulze Aff. at ¶ 14 and *See Exhibit 1*, Entity
18 Information for CL MGT. CORP. on file with the Nevada Secretary of State.) It is undisputed that
19 CL MGT was owned by Cliff Laughton *at least* until December 2019. (Schulze Aff. at ¶ 18.)
20 Current ownership, and even ownership at the time of Laughton's death, is disputed due to Straka's
21 claim that she was gifted a series of bearer certificates for CL MGT in December 2019. (Schulze
22 Aff. at ¶ 19). Despite Straka's claim that she was gifted these bearer certificates, Nevada law
23 provides:

24 Except as otherwise provided in subsection 4, every stockholder is
25 entitled to have a certificate, signed by officers or agents designated
26 by the corporation for the purpose, certifying the number of shares
27 in the corporation owned by the stockholder. A corporation has no
power to issue a certificate in bearer form, and any such
certificate that is issued is void and of no force or effect.

1 NRS 78.235(1) (emphasis added). Accordingly, this alleged gift, assuming it occurred, was invalid
2 and CL MGT was still owned by Laughton at the time of his death. Under such circumstances, CL
3 MGT. would be included in the value of Laughton's "estate" at the time of his death. *See* 26 USC §
4 2033.

5 However, even if Straka could argue that she was properly gifted CL MGT., that Nevada
6 corporation would still be considered part of the "estate" for federal tax purposes. This is because
7 even previously gifted or transferred property is included in the gross estate under federal tax law if:

- 8 (1) the decedent made a transfer (by trust or otherwise) of an interest
9 in any property, or relinquished a power with respect to any
10 property, during the 3-year period ending on the date of the
11 decedent's death, and
12 (2) the value of such property (or an interest therein) would have
13 been included in the decedent's gross estate under section 2036,
14 2037, 2038, or 2042 if such transferred interest or relinquished
15 power had been retained by the decedent on the date of his death...

16 26 USC § 2035. Because the alleged gift was made not only within three years, but within months of
17 Laughton's death, and the property would have otherwise been included in the gross estate had the
18 interest been retained, CL MGT. is a portion of Laughton's "estate" as a matter of law, which
19 provides this Court with subject matter jurisdiction over the estate.

20 Further, at the time of his death Laughton owned Nevada Holdings, LTD. That Nevada
21 corporation owns assets and is part of the estate. (Schulze Aff. at ¶ 20 and *See Exhibit 5*, Entity
22 Information for Nevada Holdings, LTD. on file with the Nevada Secretary of State.) Lastly, it now
23 appears that the decedent directly owned Hawaii Holdings, LLC a Nevada Limited Liability
24 Company, which owned property in Nevada.

25 For these reasons jurisdiction appears proper based upon NRS 136.010(a).

26 **2. The estate owned a Nevada LLC which owned real property in Washoe
27 County, Nevada.**

28 As set forth above, prior to his death, Laughton owned, through Hawaii Holdings, LLC,
Nevada two lots in the Montreux area of Reno, Nevada. (*See* Schulze Aff. at ¶ 24.) Hawaii
Holdings, LLC sold these lots on or about September 24, 2020 and September 21, 2021 as set forth

1 in the Grant, Bargain, Sale Deeds. (*See Exhibits 3 and 4*)⁸ Importantly, the Deed attached as
2 Exhibit 3 was signed by CL MGT as Member of Hawaii Holdings, LLC, Nevada (through its
3 purported but disputed President, Straka) and the Deed attached as Exhibit 4 was signed by was
4 signed by Straka as Manager of Hawaii Holdings, LLC, a Nevada limited liability company. **Id.**

5 As set forth above, for the purposes of determining what constitutes an “estate,” it is clear
6 that CL MGT, regardless of whether it was gifted to Straka or not, is a part of the estate. This in
7 turn, regardless of whether it was owned directly by the decedent or through CL MGT, makes
8 Hawaii Holdings, LLC a part of the estate. And finally, it means that the real property owned in
9 the Montreux area of Reno, Nevada, which was owned by Hawaii Holdings, LLC, and it is part of
10 the estate.

11 For the reasons set forth above, even if jurisdiction does not arise based upon Laughton’s
12 residency, it arises because at least some part of the estate is located in the State of Nevada.

13 **C. Alternatively, Schulze seeks leave to amend to assert the jurisdictional basis as**
14 **being by virtue of portions of the estate being located in Nevada.**

15 Should the Court be inclined to revoke the letters testamentary and essentially dismiss this
16 matter based upon Laughton’s lack of residency, Schulze requests that the Court grant him leave to
17 amend in order to set forth this Court’s jurisdiction based on portions of the estate being located in
18 the State of Nevada as set forth above.⁹ As set forth in NRCp 15(a)(2), leave to amend should be
19 granted when justice so requires.

19 **IV. CONCLUSION**

20 For the reasons set forth above, this Court does in fact have subject matter jurisdiction over
21 this matter and Schulze therefore requests that the Court deny Straka’s Motion to Revoke Letters
22 Testamentary and to Revoke Probate. Alternatively, Schulze requests leave to amend to state the
23 jurisdictional basis as set forth above.

24 ///

25 ///

26 ///

27 ⁸ These Deeds are also subject to judicial notice as public records. *See* NRS 47.130; *Ferris*, 462 F. Supp. 3d at 1117.

28 ⁹ Given the language of the Court’s order it does not appear this amendment is necessary, but Schulze is amenable to
filing an amendment if the Court deems it appropriate.

Affirmation Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding document does not contain the social security number of any person.

DATED this 24 day of May, 2021.

DOTSON LAW



ROBERT A. DOTSON

Nevada State Bar No. 5285

JUSTIN C. VANCE

Nevada State Bar No. 11306

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Attorneys for Executor

CERTIFICATE OF SERVICE

Pursuant to EDRP-010, I hereby certify that I am an employee of EARTHQUAKE LAW, and that on this date I caused to be served a true and correct copy of the foregoing by:

- ☐ BY MAIL (an all parties to said action by placing a true copy thereof addressed to a sealed envelope in a designated area for outgoing mail, address as set forth below. All District Law, mail placed in that designated area is given the correct amount of postage and is deposited that same date in the ordinary course of business in a United States mailbox in the City of Reno, County of Washoe, Nevada.
- ☐ By electronic served by filing the foregoing with the Clerk of Court using the E-Case system, which will electronically mail the filing to the following individuals:
- ☐ (BY PERSONAL DELIVERY) by causing a true copy thereof to be hand delivered the day to the address(es) of the address(es) set forth below:
- ☐ (BY FACSIMILE) can be parties to said action by causing a true copy thereof to be telecopied to the number indicated after the address(es) noted below:
- ☐ Report Law or Newspaper Service:
- ☐ By airmail to the airmail address below:

addressed as follows:

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FILED FOR 24 day of May, 2000

E. KRISTIAN HILL

INDEX OF EXHIBITS

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2	Entity Information with Hawaii	3
3	Grant, Bargain, Sale Deed recorded on Sept. 25, 2020	4
4	Grant Bargain, Sale Deed recorded September 21, 2020 as Document No. 5079497	5
5	Entity Information for Nevada Holdings, LTD.	4

EXHIBIT 1

EXHIBIT 1

ENTITY INFORMATION**ENTITY INFORMATION****Entity Name:**

CL MGT. CORP.

Entity Number:

C31067-2000

Entity Type:

Domestic Corporation (78)

Entity Status:

Active

Formation Date:

11/21/2000

NV Business ID:

NV20001480091

Termination Date:

Perpetual

Annual Report Due Date:

11/30/2021

REGISTERED AGENT INFORMATION**Name of Individual or Legal Entity:**

RICHARD P. SCHULZE

Status:

Active

CRA Agent Entity Type:**Registered Agent Type:**

Commercial Registered Agent

NV Business ID:**Office or Position:****Jurisdiction:****Street Address:**

140 W HUFFAKER LN STE 510, RENO, NV, 89510, USA

Mailing Address:**Individual with Authority to Act:**

CAROLE DUNCAN

Fictitious Website or Domain Name:**OFFICER INFORMATION**☐ **VIEW HISTORICAL DATA**

Title	Name	Address	Last Updated	Status
President	Ann Rafael-Straka	1381 Kaeleku Street, Honolulu, HI, 96825, USA	09/16/2020	Active
Secretary	Kenneth Gross	1835 Oakbrook Drive, Longwood, FL, 32779, USA	09/16/2020	Active
Treasurer	Ann Rafael-Straka	1381 Kaeleku Street, Honolulu, HI, 96825, USA	09/16/2020	Active
Director	Ann Rafael-Straka	1381 Kaeleku Street, Honolulu, HI, 96825, USA	09/16/2020	Active
Director	Kenneth Gross	1835 Oakbrook Drive, Longwood, FL, 32779, USA	09/16/2020	Active

Page 1 of 1, records 1 to 5 of 5

CURRENT SHARES

Class/Series	Type	Share Number	Value
No records to view.			

Number of No Par Value Shares:

12000

Total Authorized Capital:

12,000

[Filing History](#) [Name History](#) [Mergers/Conversions](#)

[Return to Search](#) [Return to Results](#)

EXHIBIT 2

EXHIBIT 2

DCCA State of Hawaii

Downloaded on May 20, 2021.

The information provided below is not a certification of good standing and does not constitute any other certification by the State.

Website URL: <http://hbe.ehawaii.gov/documents>

Business Information

MASTER NAME	HAWAII HOLDINGS, LLC DBA HAWAII HOLDINGS, LLC (NV)
BUSINESS TYPE	Foreign Limited Liability Company (LLC)
FILE NUMBER	6247 C6
STATUS	Active
PLACE INCORPORATED	Nevada UNITED STATES
REGISTRATION DATE	Nov 13, 2000
MAILING ADDRESS	1381 KAELEKU STREET HONOLULU, Hawaii 96825 UNITED STATES
PARTNER TERMS	AT-WILL
MANAGED BY	MEMBER(S)
AGENT NAME	ANDREW PEPPER
AGENT ADDRESS	1088 BISHOP STREET SUITE 4100 HONOLULU, Hawaii 96813 UNITED STATES

Annual Filings

FILING YEAR	DATE RECEIVED	STATUS
2020	Oct 1, 2020	Processed
2019	Oct 16, 2019	Processed
2018	Nov 21, 2018	Processed
2017	Nov 22, 2017	Processed
2016	Oct 19, 2016	Processed
2015	Oct 7, 2015	Processed
2014	Oct 6, 2014	Processed
2013	Dec 26, 2013	Processed
2012	Nov 8, 2012	Processed
2011	Dec 19, 2011	Processed
2010	Nov 3, 2010	Processed
2009	Nov 23, 2009	Processed
2008	Oct 16, 2008	Processed
2007	May 19, 2008	Processed
2006	Dec 19, 2006	Processed
2005	Dec 12, 2005	Processed
2004	Dec 16, 2004	Processed
2003	Apr 29, 2005	Processed
2002		Not Required
2001	May 30, 2002	Processed
2000		Processed

Officers

NAME	OFFICE	DATE
CL MGT CORP	MEM	Oct 1, 2020

Trade Names

NAME	TYPE	CATEGORY	REGISTRATION DATE	STATUS
EXECUTIVE CENTRE APARTMENTS	Trade Name	NO CATEGORY SELECTED	Jan 29, 2001	Cancelled
HAWAII HOLDINGS, LLC (NV)	Trade Name	NO CATEGORY SELECTED	Apr 21, 2005	Expired

EXHIBIT 3

EXHIBIT 3

APN: 148-240-01
R.P.T.T.: \$2,542.00
Escrow No.: 20008482-RB
When Recorded Return To:
Maurice and Miriam Storch Revocable Trust
Dated September 7, 2016
P.O. Box 664
Homewood, CA 96141

Mail Tax Statements to:
Maurice and Miriam Storch Revocable Trust
Dated September 7, 2016
P.O. Box 664
Homewood, CA 96141

DOC #5082283

09/25/2020 02:48:48 PM
Electronic Recording Requested By
FIRST CENTENNIAL - RENO (MAIN OF
Washoe County Recorder
Kalie M. Work
Fee: \$43.00 RPTT: \$2542.00
Page 1 of 3

SPACE ABOVE FOR RECORDER'S USE

GRANT, BARGAIN, SALE DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Hawaii Holdings, LLC, A Nevada Limited Liability Company, formerly known as Nevada Holdings LLC, A Nevada Limited Liability Company

do(es) hereby Grant, Bargain, Sell and Convey to

**Maurice Storch and Miriam Storch, Trustees of the Maurice and Miriam Storch Revocable Trust
Dated September 7, 2016**

all that real property situated in the City of Reno, County of Washoe, State of Nevada, described as follows:

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF AS EXHIBIT "A"

Together with all and singular tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining.

Page 2 of the Grant, Bargain, Sale Deed (signature page).

Escrow No.: 20008482-RB

Dated this 24 day of Sept., 2020.

Hawaii Holdings, LLC, A Nevada Limited Liability Company By: CL Mgt. Corp.

Ann R. Straka
 By: Ann Rafael-Straka
 Its: President

STATE OF NEVADA

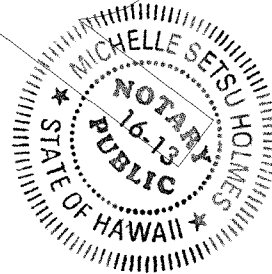
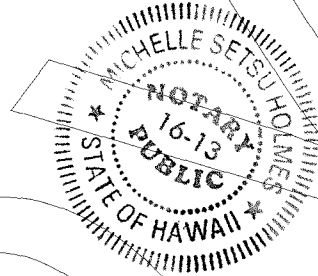
COUNTY OF Honolulu

This instrument was acknowledged before me on this 24 day of Sept., 2020 by Ann Rafael-Straka, as President of Hawaii Holdings, LLC, A Nevada Limited Liability Company By: CL Mgt. Corp.

Michelle Setsu Holmes
 Notary Public

Doc. Date: 9/24/2020 # Pages: 3
 Name: Michelle Setsu Holmes 1st Circuit
 Doc. Description: Grant, Deed
Michelle Setsu Holmes 9/24/2020
 Notary Signature Date

NOTARY CERTIFICATION



City +

EXHIBIT A

Lot(s): 310S, of MONTREUX-UNIT 3-SOUTH, according to the map thereof filed in the Office of the County Recorder of Washoe County, Nevada, recorded on 27th of July, 2001, as File 2578953, Tract Map No. 3991.

COPY

EXHIBIT 4

EXHIBIT 4

WHEN RECORDED MAIL TO:
Nazish F. Khanani
Arshad M. Khanani
3653 Spirit Bluff Court
Reno, NV 89511

DOC #5079497

09/21/2020 03:22:57 PM
Electronic Recording Requested By
TICOR TITLE - RENO (LAKESIDE)
Washoe County Recorder
Kalie M. Work
Fee: \$43.00 RPTT: \$2624.00
Page 1 of 4

MAIL TAX STATEMENTS TO:
Same as above

Escrow No. 2006791-SL

The undersigned hereby affirms that this document
submitted for recording does not contain the social
security number of any person or persons.
(Pursuant to NRS 239b.030)

APN No.: 148-180-02
R.P.T.T. \$2,624.00

SPACE ABOVE FOR RECORDER'S USE ONLY

GRANT, BARGAIN, SALE DEED

THIS INDENTURE WITNESSETH: That Hawaii Holdings, LLC, a Nevada limited liability company

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, do/does hereby Grant,
Bargain, Sell and Convey to Nazish F. Khanani and Arshad M. Khanani, husband and wife as community
property with right of survivorship

all that real property situated in the County of Washoe, State of Nevada, described as follows:
SEE EXHIBIT "A" ATTACHED HERETO AND BY REFERENCE MADE A PART HEREOF

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in
anywise appertaining.

Signature and notary acknowledgement on page two.

Hawaii Holdings, LLC, a Nevada limited liability company

Ann R. Straka

By: Ann Rafael-Straka , Manager

STATE OF Hawaii
COUNTY OF Honolulu

} ss:

This instrument was acknowledged before me on ,
by Ann Rafael-Straka

9/16/2020

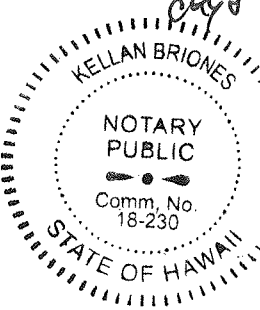
KELLAN BRIONES
COMMISSION NO. 18-230

NOTARY PUBLIC, STATE OF HAWAII

MY COMMISSION EXPIRES MAY 20, 2022

Kellan Briones
NOTARY PUBLIC

This Notary Acknowledgement is attached to that certain Grant, Bargain, Sale Deed under escrow No. 02006791.



Escrow No. 2006791-SL

**EXHIBIT A
LEGAL DESCRIPTION**

All that certain real property situate in the County of Washoe, State of Nevada, described as follows:

PARCEL 1:

Parcel 501 of PARCEL MAP NO. 3620, according to the map thereof, filed in the office of the County Recorder of Washoe County, State of Nevada, on February 18, 2000, as File No. 2423764.

PARCEL 2:

An easement for access over that portion of Parcel A shown as Dechardin Lane, Gebser Court and Jung Court on PARCEL MAP NO. 3620, according to the map thereof, filed in the office of the County Recorder of Washoe County, State of Nevada, on February 18, 2000, as File No. 2423764.

PARCEL 3:

An easement for access over that portion of Parcel 4 shown as Bordeaux road on PARCEL MAP NO. 3629, according to the map thereof, filed in the office of the County Recorder of Washoe County, State of Nevada, on February 18, 2000, as File No. 2423763.

PARCEL 4:

An easement for access and public utilities as set forth in an instrument recorded July 8, 1996, in Book 4617, Page 300, as Document No. 2010466 of Official Records.

APN: 148-180-02

WASHOE COUNTY RECORDER


OFFICE OF THE RECORDER
KALIE M. WORK, RECORDER

1001 E. NINTH STREET
RENO, NV 89512
PHONE (775) 328-3661
FAX (775) 325-8010

LEGIBILITY NOTICE

The Washoe County Recorder's Office has determined that the attached document may not be suitable for recording by the method used by the Recorder to preserve the Recorder's records. The customer was advised that copies reproduced from the recorded document would not be legible. However, the customer demanded that the document be recorded without delay as the parties rights may be adversely affected because of a delay in recording. Therefore, pursuant to NRS 247.120 (3), the County Recorder accepted the document conditionally, based on the undersigned's representation (1) that a suitable copy will be submitted at a later date (2) it is impossible or impracticable to submit a more suitable copy.


By my signing below, I acknowledge that I have been advised that once the document has been microfilmed it may not reproduce a legible copy.



Signature



Date



Printed Name

EXHIBIT 5

EXHIBIT 5

ENTITY INFORMATION**ENTITY INFORMATION****Entity Name:**

NEVADA HOLDINGS, LTD.

Entity Number:

C22689-1999

Entity Type:

Domestic Corporation (78)

Entity Status:

Active

Formation Date:

09/15/1999

NV Business ID:

NV19991367536

Termination Date:

Perpetual

Annual Report Due Date:

9/30/2021

REGISTERED AGENT INFORMATION**Name of Individual or Legal Entity:**

RICHARD P. SCHULZE

Status:

Active

CRA Agent Entity Type:

Registered Agent Type:

Commercial Registered Agent

NV Business ID:

Office or Position:

Jurisdiction:

Street Address:

140 W HUFFAKER LN STE 510, RENO, NV, 89510, USA

Mailing Address:

Individual with Authority to Act:

CAROLE DUNCAN

Fictitious Website or Domain Name:

OFFICER INFORMATION

☐ VIEW HISTORICAL DATA

Title	Name	Address	Last Updated	Status
President	Richard P Schulze III	140 W Huffaker Ln, Ste 510, Reno, NV, 89511, USA	07/17/2020	Active
Treasurer	Richard P Schulze III	140 W Huffaker Ln, Ste 510, Reno, NV, 89511, USA	07/17/2020	Active
Director	Ann Rafael-Straka	1088 Bishop St., Ste 4100, Honolulu, HI, 96813, USA	07/17/2020	Active
Secretary	ANN RAFAEL-STRAKA	1088 BISHOP ST #4100, HONOLULU, HI, 96813, USA	09/13/2019	Active

Page 1 of 1, records 1 to 4 of 4

CURRENT SHARES

Class/Series	Type	Share Number	Value
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No records to view.

Number of No Par Value Shares:

25000

Total Authorized Capital:

25,000

[Filing History](#) [Name History](#) [Mergers/Conversions](#)

[Return to Search](#) [Return to Results](#)

EXHIBIT 5

EXHIBIT 5

ENTITY INFORMATION**ENTITY INFORMATION****Entity Name:**

NEVADA HOLDINGS, LTD.

Entity Number:

C22689-1999

Entity Type:

Domestic Corporation (78)

Entity Status:

Active

Formation Date:

09/15/1999

NV Business ID:

NV19991367536

Termination Date:

Perpetual

Annual Report Due Date:

9/30/2021

REGISTERED AGENT INFORMATION**Name of Individual or Legal Entity:**

RICHARD P. SCHULZE

Status:

Active

CRA Agent Entity Type:

Registered Agent Type:

Commercial Registered Agent

NV Business ID:

Office or Position:

Jurisdiction:

Street Address:

140 W HUFFAKER LN STE 510, RENO, NV, 89510, USA

Mailing Address:

Individual with Authority to Act:

CAROLE DUNCAN

Fictitious Website or Domain Name:

OFFICER INFORMATION

☐ VIEW HISTORICAL DATA

Title	Name	Address	Last Updated	Status
President	Richard P Schulze III	140 W Huffaker Ln, Ste 510, Reno, NV, 89511, USA	07/17/2020	Active
Treasurer	Richard P Schulze III	140 W Huffaker Ln, Ste 510, Reno, NV, 89511, USA	07/17/2020	Active
Director	Ann Rafael-Straka	1088 Bishop St., Ste 4100, Honolulu, HI, 96813, USA	07/17/2020	Active
Secretary	ANN RAFAEL-STRAKA	1088 BISHOP ST #4100, HONOLULU, HI, 96813, USA	09/13/2019	Active

Page 1 of 1, records 1 to 4 of 4

CURRENT SHARES

Class/Series	Type	Share Number	Value
--------------	------	--------------	-------

No records to view.

Number of No Par Value Shares:

25000

Total Authorized Capital:

25,000

[Filing History](#) [Name History](#) [Mergers/Conversions](#)

[Return to Search](#) [Return to Results](#)

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EXHIBIT PAGE ONLY

EXHIBIT ;

HUTCHISON & STEFFEN
A PROFESSIONAL LLC

1030
ROBERT A. DOTSON
Nevada State Bar No. 5285
JUSTIN C. VANCE
Nevada State Bar No. 11306
DOTSON LAW
5355 Reno Corporate Drive, Ste 100
Reno, Nevada 89511
Tel: (775) 501-9400
Email: rdotson@dotsonlaw.legal
jvance@dotsonlaw.legal
Attorneys for Executor

IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA

IN AND FOR THE COUNTY OF WASHOE

IN THE MATTER OF THE ESTATE

Case No.: PR20-00415

OF

Dept. No.: PR

CLIFFORD LAUGHTON,

Deceased.

**DECLARATION OF RICHARD SCHULZE IN SUPPORT OF OPPOSITION TO MOTION
TO REVOKE LETTERS TESTAMENTARY AND TO REVOKE PROBATE FOR LACK
OF JURISDICTION UNDER NRS 136.010 ET SEQ. AND ALTERNATIVELY MOTION
FOR LEAVE TO AMEND**

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

RICHARD P. SCHULZE, being duly sworn, hereby states and affirms:

1. I am an attorney licensed to practice law in the State of Nevada.
2. I am familiar with matters herein of my knowledge except as to matters stated upon information and belief and as to those matters, I believe them to be true.
3. I am the court appointed Personal Representative of the above-entitled estate.
4. I am also a Trustee of The Laughton Living Trust (the "Trust").
5. Clifford Laughton ("Laughton") passed away on July 13, 2020.

1 6. I filed the Ex Parte Motion for Appointment of Special Administrator of Laughton's
2 estate on August 4, 2020. In it, I acknowledge that Laughton passed away in Hawaii.

3 7. In the Motion for Appointment of Special Administrator I also included as Mr.
4 Laughton's address the mailing address on Wedge Parkway which has been used by Mr. Laughton
5 and which Ann Rafael-Straka herself has provided to me as Laughton's address.

6 8. I did not receive copies of Mr. Laughton's tax return filings for tax years 2010-2018
7 until, after the initial court filings.

8 9. When the decedent's professional relationship with me began, the decedent owned a
9 home in the Montreux development in Washoe County and I understood that to be his residential
10 address.

11 10. There has never been a question or suggestion that the Decedent and a significant part
12 of his estate has ties to Hawaii.

13 11. In the Motion for Appointment of Special Administrator I could have alleged that
14 portions of the estate were in fact located in Nevada and, in particular, Washoe County, but I failed
15 to appreciate the need to do that.

16 12. As acknowledged in the motion, Laughton did in fact file income taxes in the State of
17 Hawaii and did so as a resident thereof. Accordingly, to my knowledge, he did not claim Nevada
18 residence as a method to evade paying Hawaii taxes as suggested by the Movant.

19 13. In the Order Terminating Special Administration and Revoking Letters of Special
20 Administration; Appointing Will to Probate; Issuance of Letters Testamentary and for General
21 Administration filed on October 15, 2020, this Court found, after examining the Petition and hearing
22 evidence, that "Clifford Laughton died on the 13th day of July 2020, leaving an estate in the County
23 of Washoe, State of Nevada subject to the jurisdiction of this Court..." This finding by the Court is
24 accurate, as Clifford Laughton did in fact own property in Nevada, a fact which is well known to
25 Ann Rafael-Straka.
26
27
28

1 14. In working with the decedent to prepare his Trust and Last Will and Testament, I
2 came to understand Mr. Laughton's sole ownership of two Nevada Corporations, CL MGT. CORP.
3 and Nevada Holdings, LTD.

4 15. Richard Caifano, Ann Rafael-Straka, and myself are all co-trustees of Laughton's
5 trust.

6 16. On August 1, 2020, a couple of weeks after Laughton's death, Ann Rafael-Straka
7 ("Straka") sent an email to myself and Richard Caifano ("Caifano") claiming that Straka had been
8 gifted bearer shares from Laughton in December 2019 for CL MGT. CORP., a Nevada Corporation
9 ("CL MGT."). A true and correct copy of this email is attached hereto as **Exhibit 1**.

10 17. This was surprising to me and continues to be suspect because I understood based
11 upon the representations of Straka and Gross that CL MGT was the sole member Hawaii Holdings,
12 LLC, Hawaii and Hawaii Holdings, LLC Nevada, the entity through which virtually all of
13 Laughton's personal financial dealings flowed. It did not make sense then, nor does it make sense
14 now, that Laughton would gift full control over all of his personal financial dealings to Straka before
15 he died, especially since he did not pass away until July 13, 2020, seven months after the purported
16 gift. It is also strange that Straka first brought the gift up about 8 months after it was made and so
17 long after Laughton's death.

18 18. It is undisputed that CL MGT was owned by Cliff Laughton at least until December
19 2019.

20 19. Current ownership, and even ownership at the time of Laughton's death, is disputed
21 due to Straka's claim that she was gifted a series of bearer certificates for CL MGT in December
22 2019.

23 20. At the time of his death the decedent owned Nevada Holdings, LTD. That Nevada
24 corporation owns assets and is part of the estate.

1 21. On or about March 12, 2021, I collected the mail addressed to Clifford Laughton
2 from the offices of Executive Centre Apartments, LLC (ECA) in Honolulu, Hawaii.

3 22. Included in that mail was a Notice of Intent to Levy sent by the IRS to "Hawaii
4 Holdings, LLC, a Nevada limited liability company, Clifford Laughton Member." Upon return to
5 Nevada, I immediately informed Straka of this notice via an email. A true and correct copy of this
6 email is attached hereto as **Exhibit 2**.


7 23. Straka replied that she was aware of this Notice and had already used funds held by
8 HHNV to pay it. A true and correct copy of this email is attached hereto as **Exhibit 3**.

9 24. At the time of Laughton's death, Laughton owned, through Hawaii Holdings, LLC
10 two lots in the Montreux area of Reno, Washoe County, Nevada. One was located at 20123
11 Bordeaux Dr., APN No. 148-240-01 and the other at 6603 Gebser Ct., APN 148-180-02. After
12 Laughton's death, these lots were sold on or about September 24, 2020 and September 21, 2020.
13

14 **Affirmation Pursuant to NRS 239B.030**

15 The undersigned does hereby affirm that the preceding document does not contain the social
16 security number of any person.

17 FURTHER YOUR AFFIANT SAYETH NAUGHT.
18

19 
20 RICHARD P. SCHULZE
21
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CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of DOTSON LAW, and that on this date; I caused to be served a true and correct copy of the foregoing by:

- ☐ (BY MAIL) on all parties in said action, by placing a true copy thereof enclosed in a sealed envelope in a designated area for outgoing mail, addressed as set forth below. At Dotson Law, mail placed in that designated area is given the correct amount of postage and is deposited that same date in the ordinary course of business, in a United States mailbox in the City of Reno, County of Washoe, Nevada.
- ☒ By electronic service by filing the foregoing with the Clerk of Court using the E-Flex system, which will electronically mail the filing to the following individuals.
- ☐ (BY PERSONAL DELIVERY) by causing a true copy thereof to be hand delivered this date to the address(es) at the address(es) set forth below.
- ☐ (BY FACSIMILE) on the parties in said action by causing a true copy thereof to be telecopied to the number indicated after the address(es) noted below.
- ☐ Reno/Carson Messenger Service.
- ☒ By email to the email addresses below.

addressed as follows:

Joseph R. Ganley
Todd L. Moody
Russel J. Geist
Scot L. Shirley
Hutchison & Steffen, PLLC
10080 W. Alta Dr., Suite 200
Las Vegas, NV 89145
jganley@hutchlegal.com
tmoody@hutchlegal.com
rgeist@hutchlegal.com
sshirley@hutchlegal.com

Ken Gross
1835 Oakbrook Dr
Longwood, FL 32779
kengross@cfl.rr.com

Richard Caifano, Esq. TTEE
One Cour La Salle
Palos Hills, IL 60465
caifanolaw@att.net

Richard G. Hill
652 Forest Street
Reno, NV 89509
Rhill@richardhilllaw.com

DATED this 24 day of May, 2021.


L. MORGAN BOGUMIL

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INDEX OF EXHIBITS

EXHIBIT	DESCRIPTION	PAGES
1	Email from Straka dated Aug. 1, 2020	27
2	Email to Straka with Notice of Intent to Levy	7
3	Emails from Straka to Schluze dated March 23, 2021	5

EXHIBIT 1

EXHIBIT 1

Richard Caifano

Attorney

One Cour LaSalle

Palos Hills, IL 60465

312-420-9522

caifanolaw@att.net

If you are a client, the attorney-client privilege protects this email. If you're a lawyer working with this office under a co-counsel arrangement, this email is privileged under that arrangement. If you've received this email by mistake, please reply to let us know, and then delete the email. This office does not waive any client privilege by reason of misdelivered email. This office does not give tax advice.

This office will never request that social security or banking information be furnished by email transmission. We will never send you an email request to transfer funds. Do not release personal or banking information by way of the Internet/Facsimile. Report any email or facsimile message that requests banking information from you.

On Saturday, August 1, 2020, 05:04:19 PM CDT, Ann Rafael-Straka <rafael-straka@hihold.com> wrote:

Hello Rich and Richard,

In December 2019 before Cliff left for Mexico he gave me an envelope for christmas, see attached, which contained bearer certificates for CL Mgt. I did inform Ken of the gift as well. Feel free to discuss with Ken.

Thank you

Ann

Ann Rafael-Straka
Hawaii Holdings, LLC
1088 Bishop Street, Suite 4100
Honolulu, HI 96813
Phone No: [808-523-5000](tel:808-523-5000)
Facsimile No: [808-523-5010](tel:808-523-5010)
Email: rafael-straka@hihold.com

The information contained in this e-mail message is intended only for the personal and confidential use of the recipient(s) named above. If you are not the intended recipient, you are hereby notified that you have received this document in error and that any review, dissemination, distribution or copying of this message is strictly prohibited. If you have received this communication in error, please notify us immediately by e-mail and delete the original message.
Thank you

DO NOT OPEN UNTIL DECEMBER 25TH

MISS ADAM

MERRY CHRISTMAS

CLIFF

02



CL MGT. CORP

1000

See Reverse for
Certain Definitions

This is to Certify that BEARER is the owner of
ONE THOUSAND (1000) *fully paid*

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof or person or by a duly authorized Officer or upon surrender of this Certificate properly endorsed.

Witness, the seal of the Corporation and the Signatures of its duly authorized officers,
Dated December 22, 2009

Clifford Laughton
Clifford Laughton, Secretary

Clifford Laughton
Clifford Laughton, President



The following abbreviations, when used in the option on the face of this certificate, shall be construed as though they were written out in full accordance with applicable law or regulations:

TEN COM	-- as tenants in common	UNIF GIFT MIN ACT --	(Cust) Custodian (Minor)
TEN ENT	-- as tenants by the entireties		under Uniform Gifts to Minors
JT TEN	-- as joint tenants with right of survivorship and not as tenants in common	Act	(State)

Additional abbreviations may also be used though not in the above list.

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE

Shares

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER.

03

1000

See Reverse for
Certain Definitions



CL MGT. CORP

This is to Certify that BEARER is the owner of
ONE THOUSAND (1000) fully paid

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized attorney or other member of this Certificate properly submitted.

Witness, the seal of the Corporation and the signature of its duly authorized officers.
Dated December 22, 2009

Clifford Laughton
Clifford Laughton, Secretary

Clifford Laughton
Clifford Laughton, President



The following abbreviations, when used in the option on the face of this certificate, shall be construed as though they were written out in full according to applicable or regulations:

TEN COM -- as tenants in common

UNIF GIFT MIN ACT --

Custodian

TEN ENT - as tenants by the entireties

(Cust) (Minor)
under Uniform Gifts to Minors

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

Act
(State)

Additional abbreviations may also be used though not in the above list.

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE)

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE THEREOF.

04



1000

For Entry to
Corporation

CL MGT. CORP

This is to Certify that **BEARER** is the owner of
ONE THOUSAND (1000) *fully paid*

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized Attorney upon surrender of this Certificate properly endorsed.

Witness, the seal of the Corporation and the Signatures of its duly authorized officers.

Dated December 22, 2009


Clifford Laughton, Secretary




Clifford Laughton, President

The following abbreviations, when used in the description on the face of this certificate, shall be construed as though they were written out in full according to applicable law or regulations:

TEN COM	- as tenants in common	UNIF GIFT MIN ACT -	Custodian (Cust) (Minor)
TEN ENT	- as tenants by the entireties		under Uniform Gifts to Minors Act
JT TEN	- as joint tenants with right of survivorship and not as tenants in common		(State)

Additional abbreviations may also be used though not in the above list

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE)

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE IN LETTER

05

1000

See Reverse Side
for Instructions

CL MGT. CORP

This is to Certify that BEARER is the owner of ONE THOUSAND (1000) fully paid

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized attorney or other representative of the Corporation properly endorsed.

Witness, the seal of the Corporation and the signatures of its duly authorized officers.

Dated December 22, 2009


Clifford Laughton, Secretary


Clifford Laughton, President



The following abbreviations, when used in the option on the face of this certificate, shall be construed as though they were written out in full according to applicable law or regulations:

TEN COM	— as tenants in common	UNIF GIFT MIN ACT —	(Cust) Custodian (Minor)
TEN ENT	— as tenants by the entireties		under Uniform Gifts to Minors
JT TEN	— as joint tenants with right of survivorship and not as tenants in common	Act	(State)

Additional abbreviations may also be used though not in the above list.

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE)

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06



CL MGT. CORP

1000

See Reverse for
Certain Provisions

This is to Certify that BEARER is the owner of
ONE THOUSAND (1000) fully paid

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized attorney at law or member of this Corporation properly authenticated.

Witness, the seal of the Corporation and the signatures of its duly authorized officers.
Dated December 22, 2009


Clifford Laughton, Secretary


Clifford Laughton, President



The following abbreviations, when used in the caption on the face of this certificate, shall be construed as though they were written out in full according to applicable law or regulations:

TEN COM	-- as tenants in common	UNIF GIFT MIN ACT	— (Custodian) (Minor) — under Uniform Gifts to Minors Act (State)
TEN ENT	- as tenants by the entireties		
JT TEN	- as joint tenants with right of survivorship and not as tenants in common		

Additional abbreviations may also be used though not in the above list.

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE)

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE IN LETTER.

07

1000

See Back for
Share Certificate

CL MGT. CORP

This is to Certify that BEARER is the owner of
ONE THOUSAND (1000)

*fully paid
and non-assessable shares of the above Corporation transferable only on the books of the
Corporation by the holder thereof in person or by a duly authorized Attorney upon
surrender of this Certificate properly endorsed.*

Witness, the seal of the Corporation and the Signatures of its duly authorized officers.

Dated December 22, 2009

Clifford Laughton
Clifford Laughton, Secretary

Clifford Laughton
Clifford Laughton, President

The following abbreviations, when used in the description on the face of this certificate, shall be construed as though they were written out in full according to applicable or regulations:

TEN COM	-- as tenants in common	UNIF GIFT MIN ACT	-- Custodian (Minor) under Uniform Gifts to Minors Act (State)
TEN ENT	- as tenants by the entireties		
JT TEN	-- as joint tenants with right of survivorship and not as tenants in common		

Additional abbreviations may also be used though not in the above list.

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08

1000

See Back for
Legal Notices



CL MGT. CORP

This is to Certify that BEARER is the owner of

ONE THOUSAND (1000)

fully paid

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized Attorney at Law or member of this Corporation properly endorsed.

Witness, the seal of the Corporation and the signatures of its duly authorized officers.

Dated December 22, 2009

Clifford Laughton

Clifford Laughton, Secretary

Clifford Laughton

Clifford Laughton, President



The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	-- as tenants in common	UNIF GIFT MIN ACT	— (Cust) Custodian (Minor) under Uniform Gifts to Minors Act (State)
TEN ENT	- as tenants by the enticeties		
JT TEN	— as joint tenants with right of survivorship and not as tenants in common		

Additional abbreviations may also be used though not in the above list.

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(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE)

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09

1000

By Order of
The Secretary

CL MGT. CORP

This is to Certify that

BEARER

is the owner of

ONE THOUSAND (1000)

fully paid

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized Attorney at Law member of this Corporation properly constituted.

Witness, the seal of the Corporation and the signature of its duly authorized officers.

Dated December 22, 2009

Clifford Laughton

Clifford Laughton, Secretary

Clifford Laughton

Clifford Laughton, President

10

CL MGT. CORP

1000

See Reverse for
Exemption of Stamp

This is to Certify that

BEARER

ONE THOUSAND (1000)

is the owner of

fully paid

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized Attorney upon surrender of this Certificate properly indorsed.

Witness, the seal of the Corporation and the Signatures of its duly authorized officers.
Dated December 22, 2009


Clifford Laughton, Secretary


Clifford Laughton, President

The following abbreviations, when used in the — ipion on the face of this certificate, shall be construed as though they were written out in full according to applicable or regulations:

TEN COM	— as tenants in common	UNIF GIFT MIN ACT —	Custodian
TEN ENT	— as tenants by the entireties		(Cust) (Minor)
JT TEN	— as joint tenants with right of survivorship and not as tenants in common		under Uniform Gifts to Minors Act
			(State)

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PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

(PLEASE PRINT OR TYPEWRITE NAME & ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE)

Shares

CE: RE TO ASSIGNMENT MUST CORRESPOND WITH THE ASR THE F.I. THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATEVER.

11



1000

See Index for
Certain Definitions

CL MGT. CORP

This is to Certify that BEARER is the owner of
ONE THOUSAND (1000)

fully paid
and non-assessable shares of the above Corporation transferable only on the books of the
Corporation by the holder thereof in person or by a duly authorized Attorney upon
surrender of this Certificate properly endorsed.

Witness, the seal of the Corporation and the Signatures of its duly authorized officers.

Dated December 22, 2009


Clifford Laughton, Secretary




Clifford Laughton, President

The following abbreviations, when used in the description on the face of this certificate, shall be construed as though they were written out in full according to applicable or regulations:

TEN COM	-- as tenants in common	UNIF GIFT MIN ACT --	Custodian (Cust) (Minor)
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12

1000



CL MGT. CORP

This is to Certify that BEARER is the owner of
ONE THOUSAND (1000) *fully paid*

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized Attorney upon surrender of this Certificate properly endorsed.

Witness, the seal of the Corporation and the Signatures of its duly authorized officers.

Dated December 22, 2009

Clifford Laughton

Clifford Laughton, Secretary



Clifford Laughton

Clifford Laughton, President

The following abbreviations, when used in the description on the face of this certificate, shall be construed as though they were written out in full according to applicable law or regulations:

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13

CL MGT. CORP

1000

See reverse for
Certificatⁿ Definitions

This is to Certify that BEARER is the owner of
ONE THOUSAND (1000) fully paid

and non-votable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized Attorney at Law

Witness, the seal of the Corporation and the Signatures of its duly authorized officers.

Dated December 22, 2009

Clifford Laughton
Clifford Laughton, Secretary

Clifford Laughton
Clifford Laughton, President

The following abbreviations, when used in the option on the face of this certificate, shall be construed as though they were written out in full according to applicable or regulations:

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JT TEN	- as joint tenants with right of survivorship and not as tenants in common	Act -	(State)

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EXHIBIT 2

EXHIBIT 2

Denise Vollmer

From: Richard Schulze <rps@renolegal.com>
Sent: Tuesday, March 23, 2021 6:33 PM
To: Robert Dotson; Justin Vance; Denise Vollmer; Morgan Bogumil
Cc: Melissa Hartman
Subject: Fwd: Hawaii Holdings LLC
Attachments: 20210308 - Notice of Intent to seize property.pdf

Richard P. Schulze, JD, MBA

Schulze | Law Group

Partnering with You through Life's Transitions

140 West Huffaker Lane | Suite 510 | Reno, NV 89511 | Tel (775)853-5700 | Fax (855)207-5306 | RenoElderLaw.com

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When We Don't Represent You: Even if this email is addressed to you, we don't represent you, unless and until we have agreed to represent you. Any such agreement must be stated clearly and in writing, which includes a fax or an email. It must be sent to you by or on behalf of one of our lawyers and you must agree to it, also in writing.

When Not to Send Us Confidential Information: When we don't represent you, don't send us any confidential information by email or any other way.

When Email Not Legal Advice: When we don't represent you, whatever we say in our email, including any attachment, whether helpful or harmful, is not legal advice, and you can't rely on it.

Begin forwarded message:

From: Richard Schulze <rps@renolegal.com>
Subject: Hawaii Holdings LLC
Date: March 23, 2021 at 6:27:44 PM PDT
To: Ann Rafeal-Straka <rafael-straka@hihold.com>
Cc: Melissa Hartman <mth@renolegal.com>

Ann,

This was with Cliff's mail.

Rich

Richard P. Schulze, JD, MBA

Schulze | Law Group

Partnering with You through Life's Transitions

140 West Huffaker Lane | Suite 510 | Reno, NV 89511 | Tel (775)853-5700 | Fax (855)207-5306 | RenoElderLaw.com

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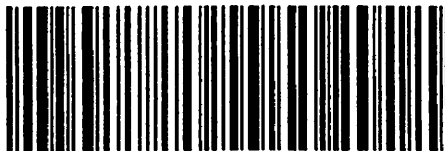
When We Don't Represent You: Even if this email is addressed to you, we don't represent you, unless and until we have agreed to represent you. Any such agreement must be stated clearly and in writing, which includes a fax or an email. It must be sent to you by or on behalf of one of our lawyers and you must agree to it, also in writing.

When Not to Send Us Confidential Information: When we don't represent you, don't send us any confidential information by email or any other way.

When Email Not Legal Advice: When we don't represent you, whatever we say in our email, including any attachment, whether helpful or harmful, is not legal advice, and you can't rely on it.



Department of the Treasury
Internal Revenue Service
Ogden, UT 84201-0030



9307 1107 5620 8449 5642 87

083674.999209.366042.3698 2 AB 0.428 1067



HAWAII HOLDINGS LLC
A NEVADA LLC
LAUGHTON CLIFFORD MEMBER
1088 BISHOP ST STE 4100
HONOLULU HI 96813-3140

	LM
Notice	CP504B
Tax period	June 30, 2020
Form number	941
Notice date	March 8, 2021
Employer ID number	99-0355315
To contact us	Phone 800-829-0115
Your Caller ID	192442

Page 1 of 4



990355315221

Notice of intent to seize (levy) your property or rights to property

Amount due: \$5,112.65

This is a notice of intent to levy your property or rights to property. As we notified you before, our records show you have unpaid taxes for the tax period ending June 30, 2020 (Form 941). If you don't call us immediately to make payment arrangements or we don't receive the amount due within 30 days from the date of this notice, we may levy your property or rights to property and apply it to the \$5,112.65 you owe.

Billing Summary

Amount you owed	\$5,103.83
Interest charges	8.82
Amount due immediately	\$5,112.65

Continued on back...



HAWAII HOLDINGS LLC
A NEVADA LLC
LAUGHTON CLIFFORD MEMBER
1088 BISHOP ST STE 4100
HONOLULU HI 96813-3140

Notice	CP504B
Notice date	March 8, 2021
Employer ID number	99-0355315

Payment

- Make your check or money order payable to the United States Treasury.
- Write your employer ID number (99-0355315), the tax period (June 30, 2020), and the form number (941) on your payment and any correspondence.

Amount due immediately

\$5,112.65

INTERNAL REVENUE SERVICE
P.O. BOX 932700
LOUISVILLE, KY 40293-2700



990355315 VL HAWA 01 2 202006 670 00000511265

	LM
Notice	CP504B
Tax Period	June 30, 2020
Notice date	March 8, 2021
Employer ID number	99-0355315
Page 2 of 4	

What you need to do immediately

If you agree with the amount due and you're not working with an IRS representative

- Pay the amount due of \$5,112.65 immediately or we may file a Notice of Federal Tax Lien, the amount of interest will increase, and additional penalties may apply.
- Pay online or by phone or mail a check or money order with the attached payment stub. You can pay online now at www.eftps.gov.

If you disagree with the amount due

Call us at 800-829-0115 to review your account with a representative. Be sure to have your account information available when you call.

We'll assume you agree with the information in this notice if we don't hear from you.

What you need to know

Notice of Intent to Levy

This notice is your Notice of Intent to Levy (Internal Revenue Code Section 6331(d)). If we don't receive the amount due within 30 days from the date of this notice, we may serve a Disqualified Employment Tax Levy or a Federal Contractor Levy, as explained in the enclosed Publication 594, IRS Collection Process. In most other situations, before we levy on your property or rights to property, we'll send you a notice that gives you the opportunity to request a Collection Due Process hearing, unless you have already received one.

Property or rights to property includes:

- Accounts receivable and other income
- Bank accounts
- Business assets



	LM
Notice	CP504B
Tax Period	June 30, 2020
Notice date	March 8, 2021
Employer ID number	99-0355315
Page 3 of 4	

What you need to know—continued



083674

Right to request an appeal

If you don't agree with our intent to levy or file a Notice of Federal Tax Lien, you have the right to request an appeal under the Collection Appeals Program (CAP) before the collection action takes place. Please call 800-829-0115 or send us a Collection Appeal Request (Form 9423) to the address at the top of the notice *within 30 days from the date of this notice*. Note: The (CAP) is different from the Collection Due Process (CDP) Program. Please call 800-829-0115 if you have questions about either of these programs. For more information about your appeal rights, see Publication 1660 (Collection Appeal Rights).

Denial or revocation of United States passport

On December 4, 2015, as part of the Fixing America's Surface Transportation (FAST) Act, Congress enacted section 7345 of the Internal Revenue Code, which requires the Internal Revenue Service to notify the State Department of taxpayers certified as owing a seriously delinquent tax debt. The FAST Act generally prohibits the State Department from issuing or renewing a passport to a taxpayer with seriously delinquent tax debt.

Seriously delinquent tax debt means an unpaid, legally enforceable federal tax debt of an individual totaling more than \$54,000 that has been assessed and for which a Notice of Federal Tax Lien has been filed and all administrative remedies under IRC Section 6320 have lapsed or been exhausted, or a levy has been issued. If you are individually liable for tax debt (including penalties and interest) totaling more than \$54,000 and you do not pay the amount you owe or make alternate arrangements to pay, we may notify the State Department that your tax debt is seriously delinquent. The State Department generally will not issue or renew a passport to you after we make this notification. If you currently have a valid passport, the State Department may revoke your passport or limit your ability to travel outside of the United States. Additional information on passport certification is available at www.irs.gov/passports.

Payment options

Pay online or by phone using the Electronic Federal Tax Payment System (EFTPS). Enroll at IRS.gov/eftps. Once enrolled, you can also schedule payments and receive email notifications.

If you plan to mail a payment, consider the electronic options at IRS.gov/payments first. If you pay by check, money order, or cashier's check, make sure it's payable to the U.S. Treasury.

Can't pay it all now?

- Apply for a payment plan (installment agreement) at IRS.gov/OPA
- Consider an offer in compromise at IRS.gov/OIC
- Request a temporary collection delay at IRS.gov/tempcollectiondelay

Continued on back...

	LM
Notice	CP504B
Tax Period	June 30, 2020
Notice date	March 8, 2021
Employer ID number	99-0355315
Page 4 of 4	

If we don't hear from you

If you have not paid the debt already, a federal tax lien has arisen as a claim against all your property. If you don't pay the amount due immediately or make payment arrangements, we can file a Notice of Federal Tax Lien (NFTL) publicly establishing our priority with your creditors and we may levy (subject to any applicable Collection Due Process rights).

If we file the NFTL, it may be difficult to sell or borrow against your property. The NFTL may also appear on your credit report.

Interest charges

We are required by law to charge interest when you do not pay your liability on time. Generally, we calculate interest from the due date of your return (regardless of extensions) until you pay the amount you owe in full, including accrued interest and any penalty charges. Interest on some penalties accrues from the date we notify you of the penalty until it is paid in full. Interest on other penalties, such as failure to file a tax return, starts from the due date or extended due date of the return. Interest rates are variable and may change quarterly. (Internal Revenue Code Section 6601)

Description	Amount
Total interest	\$8.82

The table below shows the rates used to calculate the interest on your unpaid amount due. For a detailed calculation of your interest, call 800-829-0115.

Tax interest rates

Period	Interest Rate
July 1, 2019 through June 30, 2020	5%
Beginning July 1, 2020	3%

Additional information

- Visit www.irs.gov/cp504b
- You may find the following publications helpful:
 - Publication 1, Your Rights as a Taxpayer
 - Publication 1660, Collection Appeal Rights
- For tax forms, instructions, and publications, visit www.irs.gov/forms-pubs or call 800-TAX-FORM (800-829-3676).
- Review the enclosed IRS Collection Process (Publication 594).
- Paying online is convenient, secure, and ensures timely receipt of your payment. To pay your taxes online or for more information, go to www.efps.gov.
- You can contact us by mail at the following address. Be sure to include your employer ID number, the tax year, and the form number you are writing about.

Internal Revenue Service
Ogden, UT 84201-0039
- Keep this notice for your records.

If you need assistance, please don't hesitate to contact us.

EXHIBIT 3

EXHIBIT 3

Denise Vollmer

From: Richard Schulze <rps@renolegal.com>
Sent: Tuesday, March 23, 2021 6:35 PM
To: Robert Dotson; Denise Vollmer; Justin Vance; Morgan Bogumil; Melissa Hartman
Subject: Fwd: Hawaii Holdings LLC
Attachments: Check #9876 IRS 022421.pdf

Richard P. Schulze, JD, MBA

Schulze | Law Group

Partnering with You through Life's Transitions

140 West Huffaker Lane | Suite 510 | Reno, NV 89511 | Tel (775)853-5700 | Fax (855)207-5306 | RenoElderLaw.com

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When Not to Send Us Confidential Information: When we don't represent you, don't send us any confidential information by email or any other way.

When Email Not Legal Advice: When we don't represent you, whatever we say in our email, including any attachment, whether helpful or harmful, is not legal advice, and you can't rely on it.

Begin forwarded message:

From: Ann Rafael-Straka <rafael-straka@hihold.com>
Subject: Re: Hawaii Holdings LLC
Date: March 23, 2021 at 6:34:12 PM PDT
To: Richard Schulze <rps@renolegal.com>
Cc: Melissa Hartman <mth@renolegal.com>

Hello Richard,

The invoice was paid on February 24th, 2021. See attached

Ann

Ann Rafael-Straka

Hawaii Holdings, LLC

Phone No: 808-523-5000

Email: rafael-straka@hihold.com

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On Tue, Mar 23, 2021 at 3:30 PM Ann Rafael-Straka <rafael-straka@hihold.com> wrote:

Thank you. Its for HH payroll form 941 taxes. Hawaii Holdings will pay the bill

Ann

Ann Rafael-Straka

Hawaii Holdings, LLC

Phone No: 808-523-5000

Email: rafael-straka@hihold.com

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On Tue, Mar 23, 2021 at 3:27 PM Richard Schulze <rps@renolegal.com> wrote:

Ann,

This was with Cliff's mail.

Rich

Richard P. Schulze, JD, MBA

Schulze | Law Group

Partnering with You through Life's Transitions

140 West Huffaker Lane | Suite 510 | Reno, NV 89511 | Tel (775)853-5700 | Fax (855)207-

5306 | RenoElderLaw.com

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When Email Not Legal Advice: When we don't represent you, whatever we say in our email, including any attachment, whether helpful or harmful, is not legal advice, and you can't rely on it.

Hawaii Holdings, LLC
808-823-5000
1088 Bishop Street, Suite 4100
Honolulu, HI 96813

Bank of Hawaii
Waialae-Kahala Branch
Honolulu, Hawaii
59-102/1211

9876

2/24/2021

PAY TO THE ORDER OF United States Treasury

\$ 5,103.83

Five Thousand One Hundred Three and 83/100*****

DOLLARS

Internal Revenue Service
Ogden, UT 84201-0039

MEMO

#CP161 99-0355315

[Signature]
AUTHORIZED SIGNATURE

⑈009876⑈ 121230 102812



Department of the Treasury
Internal Revenue Service
Ogden, UT 84201-0039

Notice	CP161
Tax period	June 30, 2020
Notice date	February 15, 2021
Employer ID number	99-0355315
To contact us	Phone 800-829-0115
Your Caller ID	394331
Page 1 of 6	

085469.993377.337705.3113 1 AY 0.394 054
⑈009876⑈ 121230 102812
HAWAII HOLDINGS LLC
LAUGHTON CLIFFORD MEMBER
1088 BISHOP ST STE 4100
HONOLULU, HI 96813-3140

You have an unpaid balance for June 30, 2020

Amount due: \$5,103.83

Our records show you have an unpaid balance
for June 30, 2020 (Form 941).

Billing Summary

Tax you owed	\$5,103.83
Payments you made	0.00
Failure-to-file penalty	0.00
Failure-to-pay penalty	78.50
Failure to make a proper federal tax deposit penalty	3,471.69
Interest charges	61.16
Amount due by March 8, 2021	\$5,103.83

Continued on back...



HAWAII HOLDINGS LLC
LAUGHTON CLIFFORD MEMBER
1088 BISHOP ST STE 4100
HONOLULU, HI 96813-3140

Notice	CP161
Notice date	February 15, 2021
Employer ID number	99-0355315

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EXHIBIT PAGE ONLY

EXHIBIT <

HUTCHISON & STEFFEN
A PROFESSIONAL LLC

1650
ROBERT A. DOTSON
Nevada State Bar No. 5285
JUSTIN C. VANCE
Nevada State Bar No. 11306
DOTSON LAW
5355 Reno Corporate Drive, Ste 100
Reno, Nevada 89511
Tel: (775) 501-9400
Email: rdotson@dotsonlaw.legal
jvance@dotsonlaw.legal
Attorneys for Executor

IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA

IN AND FOR THE COUNTY OF WASHOE

IN THE MATTER OF THE ESTATE

Case No.: PR20-00415

OF

Dept. No.: PR

CLIFFORD LAUGHTON,

Deceased.

**ERRATA TO DECLARATION OF RICHARD SCHULZE IN SUPPORT OF OPPOSITION
TO MOTION TO REVOKE LETTERS TESTAMENTARY AND TO REVOKE PROBATE
FOR LACK OF JURISDICTION UNDER NRS 136.010 ET SEQ. AND ALTERNATIVELY
MOTION FOR LEAVE TO AMEND**

Executor, RICHARD P. SCHULZE, the appointed personal representative of the Decedent,
CLIFFORD LAUGHTON, hereby files this Errata to the *Declaration of Richard Schulze in Support
of Opposition to Motion to Revoke Letters Testamentary and to Revoke Probate for Lake of
Jurisdiction Under NRS 136.010 et seq. and Alternatively Motion for Leave to Amend* filed on May
24, 2021, to provide the Affidavit of Richard Schulze in Support of Opposition to Motion to Revoke
Letters Testamentary and to Revoke Probate for Lake of Jurisdiction Under NRS 136.010 et seq. and
Alternatively Motion for Leave to Amend, which is attached hereto as Exhibit 1.

///

///

///

///

Affirmation Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding document does not contain the social security number of any person.

DATED this 25 day of May, 2021.

DOTSON LAW



ROBERT A. DOTSON

Nevada State Bar No. 5285

JUSTIN C. VANCE

Nevada State Bar No. 11306

5355 Reno Corporate Drive, Ste 100

Reno, Nevada 89511

(775) 501-9400

Attorneys for Executor

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of DOTSON LAW, and that on this date; I caused to be served a true and correct copy of the foregoing by:

- ☐ (BY MAIL) on all parties in said action, by placing a true copy thereof enclosed in a sealed envelope in a designated area for outgoing mail, addressed as set forth below. At Dotson Law, mail placed in that designated area is given the correct amount of postage and is deposited that same date in the ordinary course of business, in a United States mailbox in the City of Reno, County of Washoe, Nevada.
- ☒ By electronic service by filing the foregoing with the Clerk of Court using the E-Flex system, which will electronically mail the filing to the following individuals.
- ☐ (BY PERSONAL DELIVERY) by causing a true copy thereof to be hand delivered this date to the address(es) at the address(es) set forth below.
- ☐ (BY FACSIMILE) on the parties in said action by causing a true copy thereof to be telecopied to the number indicated after the address(es) noted below.
- ☐ Reno/Carson Messenger Service.
- ☒ By email to the email addresses below.


addressed as follows:

Joseph R. Ganley
Todd L. Moody
Russel J. Geist
Scot L. Shirley
Hutchison & Steffen, PLLC
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tmoody@hutchlegal.com
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One Cour La Salle
Palos Hills, IL 60465
caifanolaw@att.net

Richard G. Hill
652 Forest Street
Reno, NV 89509
Rhill@richardhilllaw.com

DATED this 25 day of May, 2021. 
L. MORGAN BOGUMIL

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INDEX OF EXHIBITS

EXHIBIT	DESCRIPTION	PAGES
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EXHIBIT 1

EXHIBIT 1

1030

ROBERT A. DOTSON

Nevada State Bar No. 5285

JUSTIN C. VANCE

Nevada State Bar No. 11306

DOTSON LAW

5355 Reno Corporate Drive, Ste 100

Reno, Nevada 89511

Tel: (775) 501-9400

Email: rdotson@dotsonlaw.legal

jvance@dotsonlaw.legal

Attorneys for Executor

IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA

IN AND FOR THE COUNTY OF WASHOE

IN THE MATTER OF THE ESTATE

Case No.: PR20-00415

OF

Dept. No.: PR

CLIFFORD LAUGHTON,

Deceased.

**AFFIDAVIT OF RICHARD SCHULZE IN SUPPORT OF OPPOSITION TO MOTION TO
REVOKE LETTERS TESTAMENTARY AND TO REVOKE PROBATE FOR LACK OF
JURISDICTION UNDER NRS 136.010 ET SEQ. AND ALTERNATIVELY MOTION FOR
LEAVE TO AMEND**

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

RICHARD P. SCHULZE, being duly sworn, hereby states and affirms:

1. I am an attorney licensed to practice law in the State of Nevada.
2. I am familiar with matters herein of my knowledge except as to matters stated upon information and belief and as to those matters, I believe them to be true.
3. I am the court appointed Personal Representative of the above-entitled estate.
4. I am also a Trustee of The Laughton Living Trust (the "Trust").
5. Clifford Laughton ("Laughton") passed away on July 13, 2020.

1 6. I filed the Ex Parte Motion for Appointment of Special Administrator of Laughton's
2 estate on August 4, 2020. In it, I acknowledge that Laughton passed away in Hawaii.

3 7. In the Motion for Appointment of Special Administrator I also included as Mr.
4 Laughton's address the mailing address on Wedge Parkway which has been used by Mr. Laughton
5 and which Ann Rafael-Straka herself has provided to me as Laughton's address.

6 8. I did not receive copies of Mr. Laughton's tax return filings for tax years 2010-2018
7 until, after the initial court filings.

8 9. When the decedent's professional relationship with me began, the decedent owned a
9 home in the Montreux development in Washoe County and I understood that to be his residential
10 address.

11 10. There has never been a question or suggestion that the Decedent and a significant part
12 of his estate has ties to Hawaii.

13 11. In the Motion for Appointment of Special Administrator I could have alleged that
14 portions of the estate were in fact located in Nevada and, in particular, Washoe County, but I failed
15 to appreciate the need to do that.

16 12. As acknowledged in the motion, Laughton did in fact file income taxes in the State of
17 Hawaii and did so as a resident thereof. Accordingly, to my knowledge, he did not claim Nevada
18 residence as a method to evade paying Hawaii taxes as suggested by the Movant.

19 13. In the Order Terminating Special Administration and Revoking Letters of Special
20 Administration; Appointing Will to Probate; Issuance of Letters Testamentary and for General
21 Administration filed on October 15, 2020, this Court found, after examining the Petition and hearing
22 evidence, that "Clifford Laughton died on the 13th day of July 2020, leaving an estate in the County
23 of Washoe, State of Nevada subject to the jurisdiction of this Court..." This finding by the Court is
24 accurate, as Clifford Laughton did in fact own property in Nevada, a fact which is well known to
25 Ann Rafael-Straka.
26
27
28

1 14. In working with the decedent to prepare his Trust and Last Will and Testament, I
2 came to understand Mr. Laughton's sole ownership of two Nevada Corporations, CL MGT. CORP.
3 and Nevada Holdings, LTD.

4 15. Richard Caifano, Ann Rafael-Straka, and myself are all co-trustees of Laughton's
5 trust.

6 16. On August 1, 2020, a couple of weeks after Laughton's death, Ann Rafael-Straka
7 ("Straka") sent an email to myself and Richard Caifano ("Caifano") claiming that Straka had been
8 gifted bearer shares from Laughton in December 2019 for CL MGT. CORP., a Nevada Corporation
9 ("CL MGT."). A true and correct copy of this email is attached hereto as **Exhibit 1**.

10 17. This was surprising to me and continues to be suspect because I understood based
11 upon the representations of Straka and Gross that CL MGT was the sole member Hawaii Holdings,
12 LLC, Hawaii and Hawaii Holdings, LLC Nevada, the entity through which virtually all of
13 Laughton's personal financial dealings flowed. It did not make sense then, nor does it make sense
14 now, that Laughton would gift full control over all of his personal financial dealings to Straka before
15 he died, especially since he did not pass away until July 13, 2020, seven months after the purported
16 gift. It is also strange that Straka first brought the gift up about 8 months after it was made and so
17 long after Laughton's death.

18 18. It is undisputed that CL MGT was owned by Cliff Laughton at least until December
19 2019.

20 19. Current ownership, and even ownership at the time of Laughton's death, is disputed
21 due to Straka's claim that she was gifted a series of bearer certificates for CL MGT in December
22 2019.

23 20. At the time of his death the decedent owned Nevada Holdings, LTD. That Nevada
24 corporation owns assets and is part of the estate.

1 21. On or about March 12, 2021, I collected the mail addressed to Clifford Laughton
2 from the offices of Executive Centre Apartments, LLC (ECA) in Honolulu, Hawaii.

3 22. Included in that mail was a Notice of Intent to Levy sent by the IRS to "Hawaii
4 Holdings, LLC, a Nevada limited liability company, Clifford Laughton Member." Upon return to
5 Nevada, I immediately informed Straka of this notice via an email. A true and correct copy of this
6 email is attached hereto as **Exhibit 2**.


7 23. Straka replied that she was aware of this Notice and had already used funds held by
8 HHNV to pay it. A true and correct copy of this email is attached hereto as **Exhibit 3**.

9 24. At the time of Laughton's death, Laughton owned, through Hawaii Holdings, LLC
10 two lots in the Montreux area of Reno, Washoe County, Nevada. One was located at 20123
11 Bordeaux Dr., APN No. 148-240-01 and the other at 6603 Gebser Ct., APN 148-180-02. After
12 Laughton's death, these lots were sold on or about September 24, 2020 and September 21, 2020.
13

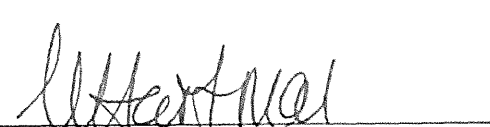
14 **Affirmation Pursuant to NRS 239B.030**

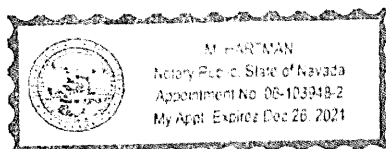
15 The undersigned does hereby affirm that the preceding document does not contain the social
16 security number of any person.

17 FURTHER YOUR AFFIANT SAYETH NAUGHT.

18
19
20 
RICHARD P. SCHULZE

21 SUBSCRIBED and SWORN to before me
22 this 25th day of May, 2021.

23 
24 NOTARY PUBLIC



CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of DOTSON LAW, and that on this date; I caused to be served a true and correct copy of the foregoing by:

- ☐ (BY MAIL) on all parties in said action, by placing a true copy thereof enclosed in a sealed envelope in a designated area for outgoing mail, addressed as set forth below. At Dotson Law, mail placed in that designated area is given the correct amount of postage and is deposited that same date in the ordinary course of business, in a United States mailbox in the City of Reno, County of Washoe, Nevada.
- ☒ By electronic service by filing the foregoing with the Clerk of Court using the E-Flex system, which will electronically mail the filing to the following individuals.
- ☐ (BY PERSONAL DELIVERY) by causing a true copy thereof to be hand delivered this date to the address(es) at the address(es) set forth below.
- ☐ (BY FACSIMILE) on the parties in said action by causing a true copy thereof to be telecopied to the number indicated after the address(es) noted below.
- ☐ Reno/Carson Messenger Service.
- ☒ By email to the email addresses below.

addressed as follows:

Joseph R. Ganley
Todd L. Moody
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caifanolaw@att.net

Richard G. Hill
652 Forest Street
Reno, NV 89509
Rhill@richardhilllaw.com

DATED this 25 day of May, 2021.


L. MORGAN BOGUMIL

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INDEX OF EXHIBITS

EXHIBIT	DESCRIPTION	PAGES
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3	Emails from Straka to Schluze dated March 23, 2021	5

EXHIBIT 1

EXHIBIT 1

Richard Caifano

Attorney

One Cour LaSalle

Palos Hills, IL 60465

312-420-9522

caifanolaw@att.net

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On Saturday, August 1, 2020, 05:04:19 PM CDT, Ann Rafael-Straka <rafael-straka@hihold.com> wrote:

Hello Rich and Richard,

In December 2019 before Cliff left for Mexico he gave me an envelope for christmas, see attached, which contained bearer certificates for CL Mgt. I did inform Ken of the gift as well. Feel free to discuss with Ken.

Thank you

Ann

Ann Rafael-Straka
Hawaii Holdings, LLC
1088 Bishop Street, Suite 4100
Honolulu, HI 96813
Phone No: [808-523-5000](tel:808-523-5000)
Facsimile No: [808-523-5010](tel:808-523-5010)
Email: rafael-straka@hihold.com

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Thank you

DO NOT OPEN UNTIL DECEMBER 25TH

MISS ANN

MERRY CHRISTMAS

CHIFF

02



CL MGT. CORP

1000

See Reverse for
Certain Definitions

This is to Certify that BEARER is the owner of
ONE THOUSAND (1000) *fully paid*

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof or person or by a duly authorized Officer or upon surrender of this Certificate properly endorsed.

Witness, the seal of the Corporation and the Signatures of its duly authorized officers,
Dated December 22, 2009

Clifford Laughton
Clifford Laughton, Secretary

Clifford Laughton
Clifford Laughton, President



The following abbreviations, when used in the description on the face of this certificate, shall be construed as though they were written out in full accordance with applicable laws or regulations:

TEN COM -- as tenants in common

UNIF GIFT MIN ACT --

Custodian

TEN ENT -- as tenants by the entireties

(Cust) (Minor)
under Uniform Gifts to Minors

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

Act (State)

Additional abbreviations may also be used though not in the above list.

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE

Shares

represented by the within Certificate and do hereby irrevocably constitute and appoint

to transfer the said Shares on the books of the corporation named to persons with full power of substitution in the premises

Dated

Signature

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER.

03

1000

See Reverse for
Certain Definitions



CL MGT. CORP

This is to Certify that BEARER is the owner of
ONE THOUSAND (1000) *fully paid*

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized attorney when surrender of this Certificate properly endorsed.

Witness, the seal of the Corporation and the Signatures of its duly authorized officers.
Dated December 22, 2009

Clifford Laughton
Clifford Laughton, Secretary

Clifford Laughton
Clifford Laughton, President



The following abbreviations, when used in the description on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	-- as tenants in common	UNIF GIFT MIN ACT --	Custodian (Cust) (Minor)
TEN ENT	- as tenants by the entireties		under Uniform Gifts to Minors
JT TEN	-- as joint tenants with right of survivorship and not as tenants in common	Act	(State)

Additional abbreviations may also be used though not in the above list.

The undersigned hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

[Redacted box for Social Security or other identifying number of assignee]

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE)

[Redacted lines for assignee name and address]

Thereafter
herein provided by the within Certificate and do hereby
expressly constitute and agree

to transfer the said interest in the trust of the within named
Corporation with full power of substitution in the premises.

Witness
My hand and seal

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE THEREOF.

04



1000

See Back of
Certificate

CL MGT. CORP

This is to Certify that **BEARER** is the owner of
ONE THOUSAND (1000) *fully paid*

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized Attorney upon surrender of this Certificate properly endorsed.

Witness, the seal of the Corporation and the Signatures of its duly authorized officers.

Dated December 22, 2009

Clifford Laughton
 Clifford Laughton, Secretary



Clifford Laughton
 Clifford Laughton, President

The following abbreviations, when used in the description on the face of this certificate, shall be construed as though they were written out in full according to applicable law or regulations:

TEN COM	- as tenants in common	UNIF GIFT MIN ACT -	Custodian (Cust)	(Minor)
TEN ENT	- as tenants by the entireties		under Uniform Gifts to Minors Act	
JT TEN	- as joint tenants with right of survivorship and not as tenants in common		(State)	

Additional abbreviations may also be used though not in the above list

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE)

Transferred by the within Certificate and is hereby assigned to the assignee and assigned.

Witness my hand and seal on the 10th day of December 1964.

Subscribed

Signature of

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE IN LETTER

05



CL MGT. CORP

1000

See Reverse for
Certification

This is to Certify that BEARER is the owner of
ONE THOUSAND (1000) *fully paid*

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized attorney or other surrender of this Certificate properly endorsed.

Witness, the seal of the Corporation and the Signatures of its duly authorized officers.

Dated December 22, 2009

Clifford Laughton
Clifford Laughton, Secretary

Clifford Laughton
Clifford Laughton, President



The following abbreviations, when used in the description on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	— as tenants in common	UNIF GIFT MIN ACT —	(Cust) Custodian (Minor)
TEN ENT	— as tenants by the entireties		under Uniform Gifts to Minors
JT TEN	— as joint tenants with right of survivorship and not as tenants in common	Act	(State)

Additional abbreviations may also be used though not in the above list.

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE)

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER.

06

1000

See Reverse for
Certain Provisions

CL MGT. CORP

This is to Certify that

BEARER

is the owner of

ONE THOUSAND (1000)

fully paid

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized Attorney at Law or member of this Corporation properly authorized.

Witness, the seal of the Corporation and the Signatures of its duly authorized officers.
Dated December 22, 2009

Clifford Laughton
Clifford Laughton, Secretary

Clifford Laughton
Clifford Laughton, President

The following abbreviations, when used in the description on the face of this certificate, shall be construed as though they were written out in full according to applicable law or regulations:

TEN COM	-- as tenants in common	UNIF GIFT MIN ACT	— (Custodian (Minor) under Uniform Gifts to Minors Act (State)
TEN ENT	- as tenants by the entireties		
JT TEN	- as joint tenants with right of survivorship and not as tenants in common		

Additional abbreviations may also be used though not in the above list.

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE)

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE IN LETTER.

07



1000

See Back for
Certificate Details

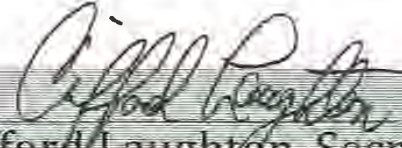
CL MGT. CORP

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ONE THOUSAND (1000) *fully paid*

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized Attorney upon surrender of this Certificate properly endorsed.

Witness, the seal of the Corporation and the Signatures of its duly authorized officers.

Dated December 22, 2009


Clifford Laughton, Secretary




Clifford Laughton, President

The following abbreviations, when used in the description on the face of this certificate, shall be construed as though they were written out in full according to applicable or regulations:

TEN COM	-- as tenants in common	UNIF GIFT MIN ACT	-- Custodian (Minor) under Uniform Gifts to Minors Act (State)
TEN ENT	- as tenants by the entireties		
JT TEN	-- as joint tenants with right of survivorship and not as tenants in common		

Additional abbreviations may also be used though not in the above list.

For information only *herby sell assign and transfer*

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE)

Witnessed by the undersigned and he hereby

is transfer the said shares as per order of the undersigned

Witnessed by

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER.

08



CL MGT. CORP

1000

See Endorse for
Certain Conditions

This is to Certify that BEARER is the owner of

ONE THOUSAND (1000)

fully paid

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized attorney or other member of this Corporation properly endorsed.

Witness, the seal of the Corporation and the Signatures of its duly authorized officers.

Dated December 22, 2009

Clifford Laughton

Clifford Laughton, Secretary

Clifford Laughton

Clifford Laughton, President



The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	-- as tenants in common	UNIF GIFT MIN ACT	— (Custodian (Minor) under Uniform Gifts to Minors Act (State)
TEN ENT	- as tenants by the enticeties		
JT TEN	— as joint tenants with right of survivorship and not as tenants in common		

Additional abbreviations may also be used though not in the above list.

The undersigned hereby sell assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE)

Charles
attested by the within testator and do hereby
intentionally constitute and deliver
to transfer the said shares in the hands of the within named
corporation with full power of substitution in the premises
Witness
Signature of

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER.

09



CL MGT. CORP

1000

For Record in
Public Relations

This is to Certify that

BEARER

is the owner of

ONE THOUSAND (1000)

fully paid

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized Attorney upon surrender of this Certificate properly endorsed.

Witness, the seal of the Corporation and the Signature of its duly authorized officers.

Dated December 22, 2009

Handwritten signature of Clifford Laughton.

Clifford Laughton, Secretary

Handwritten signature of Clifford Laughton.

Clifford Laughton, President



10



CL MGT. CORP

1000

See Back for
Certificate of Ownership

This is to Certify that BEARER is the owner of
ONE THOUSAND (1000) fully paid

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized Attorney upon surrender of this Certificate properly endorsed.

Witness, the seal of the Corporation and the Signatures of its duly authorized officers.
Dated December 22, 2009


Clifford Laughton, Secretary


Clifford Laughton, President



The following abbreviations, when used in the caption on the face of this certificate, shall be construed as though they were written out in full according to applicable or regulations:

TEN COM	-- as tenants in common	UNIF GIFT MIN ACT --	Custodian
TEN ENT	- as tenants by the entireties		(Cust) (Minor)
JT TEN	-- as joint tenants with right of survivorship and not as tenants in common		under Uniform Gifts to Minors Act
			(State)

Additional abbreviations may also be used though not in the above list.

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE)

Shares

intended by the donor and to hereby

transfer the said Shares on the basis of the above stated

Signature

to receive

THE ASSIGNEE TO THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE HEREIN.

11



1000

See Reverse for
Certain Definitions

CL MGT. CORP

This is to Certify that BEARER is the owner of
ONE THOUSAND (1000) *fully paid*

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized Attorney upon surrender of this Certificate properly endorsed.

Witness, the seal of the Corporation and the Signatures of its duly authorized officers.

Dated December 22, 2009


Clifford Laughton, Secretary




Clifford Laughton, President

The following abbreviations, when used in the description on the face of this certificate, shall be construed as though they were written out in full according to applicable or regulations:

TEN COM	-- as tenants in common	UNIF GIFT MIN ACT --	Custodian (Minor)
TEN ENT	-- as tenants by the entireties		under Uniform Gifts to Minors Act
JT TEN	-- as joint tenants with right of survivorship and not as tenants in common		(State)

Additional abbreviations may also be used though not in the above list.

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE)

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER

12



1000

See Reverse for
Terms, Conditions

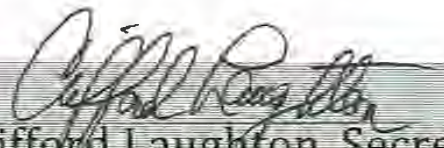
CL MGT. CORP

This is to Certify that **BEARER** is the owner of
ONE THOUSAND (1000) *fully paid*

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized Attorney upon surrender of this Certificate properly endorsed.

Witness, the seal of the Corporation and the Signatures of its duly authorized officers.

Dated December 22, 2009


Clifford Laughton, Secretary




Clifford Laughton, President

The following abbreviations, when used in the description on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	— as tenants in common	UNIF GIFT MIN ACT —	(Cust) Custodian (Minor)
TEN ENT	— as tenants by the entireties		under Uniform Gifts to Minors
JT TEN	— as joint tenants with right of survivorship and not as tenants in common	Act	(State)

Additional abbreviations may also be used though not in the above list.

To be returned to the assignor and not to be used for any other purpose.

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE)

I, the undersigned, do hereby certify that the above named assignee is the owner of the property described in the assignment and that the same is being assigned to the assignor for the purpose of the assignment.

Witness my hand and seal this 1st day of January, 1961.

John Doe

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATEVER.

13



CL MGT. CORP

1000

See Back for
Certain Definitions

This is to Certify that BEARER is the owner of
ONE THOUSAND (1000) fully paid

and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized Attorney at Law or member of the Corporation properly endorsed.

Witness, the seal of the Corporation and the Signatures of its duly authorized officers.

Dated December 22, 2009

Clifford Laughton
Clifford Laughton, Secretary

Clifford Laughton
Clifford Laughton, President



The following abbreviations, when used in the option on the face of this certificate, shall be construed as though they were written out in full according to applicable or regulations:

TEN COM	- as tenants in common	UNIF GIFT MIN ACT -	Custodian (Cust)	(Minor)
TEN ENT	- as tenants by the entireties		under Uniform Gifts to Minors	
JT TEN	- as joint tenants with right of survivorship and not as tenants in common		Act (State)	

Additional abbreviations may also be used though not in the above list.

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE)

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE THEREIN.

EXHIBIT 2

EXHIBIT 2

Denise Vollmer

From: Richard Schulze <rps@renolegal.com>
Sent: Tuesday, March 23, 2021 6:33 PM
To: Robert Dotson; Justin Vance; Denise Vollmer; Morgan Bogumil
Cc: Melissa Hartman
Subject: Fwd: Hawaii Holdings LLC
Attachments: 20210308 - Notice of Intent to seize property.pdf

Richard P. Schulze, JD, MBA

Schulze | Law Group

Partnering with You through Life's Transitions

140 West Huffaker Lane | Suite 510 | Reno, NV 89511 | Tel (775)853-5700 | Fax (855)207-5306 | RenoElderLaw.com

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When Email Not Legal Advice: When we don't represent you, whatever we say in our email, including any attachment, whether helpful or harmful, is not legal advice, and you can't rely on it.

Begin forwarded message:

From: Richard Schulze <rps@renolegal.com>
Subject: Hawaii Holdings LLC
Date: March 23, 2021 at 6:27:44 PM PDT
To: Ann Rafeal-Straka <rafael-straka@hihold.com>
Cc: Melissa Hartman <mth@renolegal.com>

Ann,

This was with Cliff's mail.

Rich

Richard P. Schulze, JD, MBA

Schulze | Law Group

Partnering with You through Life's Transitions

140 West Huffaker Lane | Suite 510 | Reno, NV 89511 | Tel (775)853-5700 | Fax (855)207-5306 | RenoElderLaw.com

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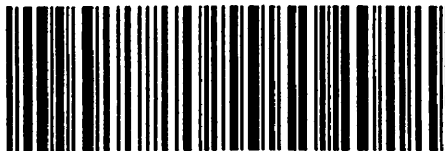
When We Don't Represent You: Even if this email is addressed to you, we don't represent you, unless and until we have agreed to represent you. Any such agreement must be stated clearly and in writing, which includes a fax or an email. It must be sent to you by or on behalf of one of our lawyers and you must agree to it, also in writing.

When Not to Send Us Confidential Information: When we don't represent you, don't send us any confidential information by email or any other way.

When Email Not Legal Advice: When we don't represent you, whatever we say in our email, including any attachment, whether helpful or harmful, is not legal advice, and you can't rely on it.



Department of the Treasury
Internal Revenue Service
Ogden, UT 84201-0030



9307 1107 5620 8449 5642 87

083674.999209.366042.3698 2 AB 0.428 1067



HAWAII HOLDINGS LLC
A NEVADA LLC
LAUGHTON CLIFFORD MEMBER
1088 BISHOP ST STE 4100
HONOLULU HI 96813-3140

	LM
Notice	CP504B
Tax period	June 30, 2020
Form number	941
Notice date	March 8, 2021
Employer ID number	99-0355315
To contact us	Phone 800-829-0115
Your Caller ID	192442

Page 1 of 4



990355315221

Notice of intent to seize (levy) your property or rights to property

Amount due: \$5,112.65

This is a notice of intent to levy your property or rights to property. As we notified you before, our records show you have unpaid taxes for the tax period ending June 30, 2020 (Form 941). If you don't call us immediately to make payment arrangements or we don't receive the amount due within 30 days from the date of this notice, we may levy your property or rights to property and apply it to the \$5,112.65 you owe.

Billing Summary

Amount you owed	\$5,103.83
Interest charges	8.82
Amount due immediately	\$5,112.65

Continued on back...



HAWAII HOLDINGS LLC
A NEVADA LLC
LAUGHTON CLIFFORD MEMBER
1088 BISHOP ST STE 4100
HONOLULU HI 96813-3140

Notice	CP504B
Notice date	March 8, 2021
Employer ID number	99-0355315

Payment

- Make your check or money order payable to the United States Treasury.
- Write your employer ID number (99-0355315), the tax period (June 30, 2020), and the form number (941) on your payment and any correspondence.

Amount due immediately

\$5,112.65

INTERNAL REVENUE SERVICE
P.O. BOX 932700
LOUISVILLE, KY 40293-2700



990355315 VL HAWA 01 2 202006 670 00000511265

	LM
Notice	CP504B
Tax Period	June 30, 2020
Notice date	March 8, 2021
Employer ID number	99-0355315
Page 2 of 4	

What you need to do immediately

If you agree with the amount due and you're not working with an IRS representative

- Pay the amount due of \$5,112.65 immediately or we may file a Notice of Federal Tax Lien, the amount of interest will increase, and additional penalties may apply.
- Pay online or by phone or mail a check or money order with the attached payment stub. You can pay online now at www.eftps.gov.

If you disagree with the amount due

Call us at 800-829-0115 to review your account with a representative. Be sure to have your account information available when you call.

We'll assume you agree with the information in this notice if we don't hear from you.

What you need to know

Notice of Intent to Levy

This notice is your Notice of Intent to Levy (Internal Revenue Code Section 6331(d)). If we don't receive the amount due within 30 days from the date of this notice, we may serve a Disqualified Employment Tax Levy or a Federal Contractor Levy, as explained in the enclosed Publication 594, IRS Collection Process. In most other situations, before we levy on your property or rights to property, we'll send you a notice that gives you the opportunity to request a Collection Due Process hearing, unless you have already received one.

Property or rights to property includes:

- Accounts receivable and other income
- Bank accounts
- Business assets



	LM
Notice	CP504B
Tax Period	June 30, 2020
Notice date	March 8, 2021
Employer ID number	99-0355315
Page 3 of 4	

What you need to know—continued



083674

Right to request an appeal

If you don't agree with our intent to levy or file a Notice of Federal Tax Lien, you have the right to request an appeal under the Collection Appeals Program (CAP) before the collection action takes place. Please call 800-829-0115 or send us a Collection Appeal Request (Form 9423) to the address at the top of the notice *within 30 days from the date of this notice*. Note: The (CAP) is different from the Collection Due Process (CDP) Program. Please call 800-829-0115 if you have questions about either of these programs. For more information about your appeal rights, see Publication 1660 (Collection Appeal Rights).

Denial or revocation of United States passport

On December 4, 2015, as part of the Fixing America's Surface Transportation (FAST) Act, Congress enacted section 7345 of the Internal Revenue Code, which requires the Internal Revenue Service to notify the State Department of taxpayers certified as owing a seriously delinquent tax debt. The FAST Act generally prohibits the State Department from issuing or renewing a passport to a taxpayer with seriously delinquent tax debt.

Seriously delinquent tax debt means an unpaid, legally enforceable federal tax debt of an individual totaling more than \$54,000 that has been assessed and for which a Notice of Federal Tax Lien has been filed and all administrative remedies under IRC Section 6320 have lapsed or been exhausted, or a levy has been issued. If you are individually liable for tax debt (including penalties and interest) totaling more than \$54,000 and you do not pay the amount you owe or make alternate arrangements to pay, we may notify the State Department that your tax debt is seriously delinquent. The State Department generally will not issue or renew a passport to you after we make this notification. If you currently have a valid passport, the State Department may revoke your passport or limit your ability to travel outside of the United States. Additional information on passport certification is available at www.irs.gov/passports.

Payment options

Pay online or by phone using the Electronic Federal Tax Payment System (EFTPS). Enroll at IRS.gov/eftps. Once enrolled, you can also schedule payments and receive email notifications.

If you plan to mail a payment, consider the electronic options at IRS.gov/payments first. If you pay by check, money order, or cashier's check, make sure it's payable to the U.S. Treasury.

Can't pay it all now?

- Apply for a payment plan (installment agreement) at IRS.gov/OPA
- Consider an offer in compromise at IRS.gov/OIC
- Request a temporary collection delay at IRS.gov/tempcollectiondelay

Continued on back...

	LM
Notice	CP504B
Tax Period	June 30, 2020
Notice date	March 8, 2021
Employer ID number	99-0355315
Page 4 of 4	

If we don't hear from you

If you have not paid the debt already, a federal tax lien has arisen as a claim against all your property. If you don't pay the amount due immediately or make payment arrangements, we can file a Notice of Federal Tax Lien (NFTL) publicly establishing our priority with your creditors and we may levy (subject to any applicable Collection Due Process rights).

If we file the NFTL, it may be difficult to sell or borrow against your property. The NFTL may also appear on your credit report.

Interest charges

We are required by law to charge interest when you do not pay your liability on time. Generally, we calculate interest from the due date of your return (regardless of extensions) until you pay the amount you owe in full, including accrued interest and any penalty charges. Interest on some penalties accrues from the date we notify you of the penalty until it is paid in full. Interest on other penalties, such as failure to file a tax return, starts from the due date or extended due date of the return. Interest rates are variable and may change quarterly. (Internal Revenue Code Section 6601)

Description	Amount
Total interest	\$8.82

The table below shows the rates used to calculate the interest on your unpaid amount due. For a detailed calculation of your interest, call 800-829-0115.

Tax interest rates

Period	Interest Rate
July 1, 2019 through June 30, 2020	5%
Beginning July 1, 2020	3%

Additional information

- Visit www.irs.gov/cp504b
- You may find the following publications helpful:
 - Publication 1, Your Rights as a Taxpayer
 - Publication 1660, Collection Appeal Rights
- For tax forms, instructions, and publications, visit www.irs.gov/forms-pubs or call 800-TAX-FORM (800-829-3676).
- Review the enclosed IRS Collection Process (Publication 594).
- Paying online is convenient, secure, and ensures timely receipt of your payment. To pay your taxes online or for more information, go to www.efps.gov.
- You can contact us by mail at the following address. Be sure to include your employer ID number, the tax year, and the form number you are writing about.

Internal Revenue Service
Ogden, UT 84201-0039
- Keep this notice for your records.

If you need assistance, please don't hesitate to contact us.

EXHIBIT 3

EXHIBIT 3

Denise Vollmer

From: Richard Schulze <rps@renolegal.com>
Sent: Tuesday, March 23, 2021 6:35 PM
To: Robert Dotson; Denise Vollmer; Justin Vance; Morgan Bogumil; Melissa Hartman
Subject: Fwd: Hawaii Holdings LLC
Attachments: Check #9876 IRS 022421.pdf

Richard P. Schulze, JD, MBA

Schulze | Law Group

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140 West Huffaker Lane | Suite 510 | Reno, NV 89511 | Tel (775)853-5700 | Fax (855)207-5306 | RenoElderLaw.com

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When Not to Send Us Confidential Information: When we don't represent you, don't send us any confidential information by email or any other way.

When Email Not Legal Advice: When we don't represent you, whatever we say in our email, including any attachment, whether helpful or harmful, is not legal advice, and you can't rely on it.

Begin forwarded message:

From: Ann Rafael-Straka <rafael-straka@hihold.com>
Subject: Re: Hawaii Holdings LLC
Date: March 23, 2021 at 6:34:12 PM PDT
To: Richard Schulze <rps@renolegal.com>
Cc: Melissa Hartman <mth@renolegal.com>

Hello Richard,

The invoice was paid on February 24th, 2021. See attached

Ann

Ann Rafael-Straka

Hawaii Holdings, LLC

Phone No: 808-523-5000

Email: rafael-straka@hihold.com

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On Tue, Mar 23, 2021 at 3:30 PM Ann Rafael-Straka <rafael-straka@hihold.com> wrote:

Thank you. Its for HH payroll form 941 taxes. Hawaii Holdings will pay the bill

Ann

Ann Rafael-Straka

Hawaii Holdings, LLC

Phone No: 808-523-5000

Email: rafael-straka@hihold.com

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On Tue, Mar 23, 2021 at 3:27 PM Richard Schulze <rps@renolegal.com> wrote:

Ann,

This was with Cliff's mail.

Rich

Richard P. Schulze, JD, MBA

Schulze | Law Group

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9876

2/24/2021

PAY TO THE ORDER OF United States Treasury

\$ 5,103.83

Five Thousand One Hundred Three and 83/100*****

DOLLARS

Internal Revenue Service
Ogden, UT 84201-0039

MEMO

#CP161 99-0355315

J. R. Straker
AUTHORIZED SIGNATURE

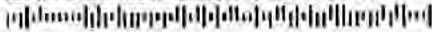
AUTHORIZED SIGNATURE

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Department of the Treasury
Internal Revenue Service
Ogden, UT 84201-0039

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HAWAII HOLDINGS LLC
LAUGHTON CLIFFORD MEMBER
1088 BISHOP ST STE 4100
HONOLULU HI 96813-3140

Notice	CP161
Tax period	June 30, 2020
Notice date	February 15, 2021
Employer ID number	99-0355315
To contact us	Phone 800-829-0115
Your Caller ID	394331
Page 1 of 6	

You have an unpaid balance for June 30, 2020

Amount due: \$5,103.83

Our records show you have an unpaid balance for June 30, 2020 (Form 941).

Billing Summary

Tax you owed	\$46,214.26
Payments you made	46,214.26
Failure-to-file penalty	1,492.43
Failure-to-pay penalty	78.55
Failure to make a proper federal tax deposit penalty	3,471.69
Interest charges	61.16
Amount due by March 8, 2021	\$5,103.83

Continued on back...



HAWAII HOLDINGS LLC
LAUGHTON CLIFFORD MEMBER
1088 RISKOP ST STE 4100
HONOLULU HI 96813-3140

Notice	CP161
Notice date	February 15 2021
Employer ID number	99-0355315

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EXHIBIT PAGE ONLY

EXHIBIT ÷

HUTCHISON  STEFFEN

A PROFESSIONAL LLC

1 Code No.
2 RICHARD G. HILL, ESQ.
3 State Bar No. 596
4 RICHARD G. HILL, LTD.
5 652 Forest Street
6 Reno, Nevada 89509
7 (775) 348-0888
8 rhill@richardhillaw.com

9
10 IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVAA
11 IN AND FOR THE COUNTY OF WASHOE
12

13
14 IN THE MATTER OF THE ESTATE OF) Case No.: No. PR20-00415
15 CLIFFORD LAUGHTON,) Dept. No. PR
16 Deceased.)
17

18
19 **DECLARATION OF RICHARD G. HILL, ESQ.**
20

21 RICHARD G. HILL, ESQ., being first duly sworn, deposes and under penalty of
22 perjury avers:
23

24 1. I am a resident of the City of Reno, County of Washoe, State of Nevada, and
25 over 18 years of age. This declaration is based on my personal knowledge, except those
26 matters stated on information and belief, and as to those items I believe them to be true.

27 This declaration is made in support of the Laughton Foundation's *Joinder* filed herein
28 by on May 19, 2021, and represents my testimony if called on to present same in court.

29 2. I am an attorney duly licensed as such by the State of Nevada to practice
30 before all courts of this State and maintain my office at 652 Forest Street, Reno, Nevada.
31 I am also licensed to practice before the United States Supreme Court, the Ninth Circuit
32 Court of Appeals and the United States District Court for the District of Nevada.

33 3. I am presently counsel for the Laughton Foundation in this matter.

1 4. My involvement in this matter arose out of an email contact from Washoe
2 Legal Services. As they routinely do, they send out "blast" emails to their entire panel of
3 pro bono lawyers in the community with the cases they need to place.
4

5 5. Because I do not do bankruptcy or family law, I am unable to accept most of
6 the cases they seek to place.

7 6. This case came to me as assisting a recognized charity with an immediate need
8 for assistance in this case. The Court had issued deadlines for the Foundation to have
9 local counsel, and that time was almost expired.
10

11 7. My contact was, and has been, Mr. Gross.

12 8. During our conversation, Mr. Gross candidly explained his belief that he and
13 Ms. Rafael-Straka were designated directors of the Foundation, and had not been
14 removed in accordance with the procedure in the Bylaws. We discussed the roles of Mr.
15 Schulze and Mr. Caifano, who claim to be directors of the Laughton Foundation. I
16 quickly noted, however, even if Mr. Schulze and Mr. Caifano were the directors of the
17 Foundation, they clearly have conflicts of interest in deciding to act, or not, on behalf of
18 the Foundation. Based on documents I have reviewed in this case, there is no real
19 dispute that Mr. Laughton expropriated monies belonging to the Foundation. The only
20 issues pertain to what, if anything, to do about it.
21

22 9. The question of who is actually and properly in control of the Foundation is
23 clearly a significant part of the gordian knot this Court is going to have to sort out in this
24 case. I am not in a position to decide who is telling the truth, and only acted to keep the
25 Foundation's position open pending adjudication of predicate facts by the Court.
26

27 ///

10. The Joinder filed May 19, 2021, was intended to assist the Court in reviewing and deciding the jurisdiction issue. Should the Court rule it has jurisdiction, and then conclude that Mr. Gross is, or is not, authorized to speak for the Laughton Foundation, my part will, at that time, be clear. In the meantime, the legal position of the Laughton Foundation has merely been preserved.

11. Finally, I note the opposition filed by Mr. Dotson did not challenge the substance of any of the ethical or evidentiary observations I offered the Court.

12. I declare under penalty of perjury under the laws of the State of Nevada that the foregoing is true and correct.

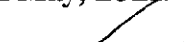
Declarant sayeth further naught.

AFFIRMATION Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding document does not contain the social security number of any person.

DATED this 28 day of May, 2021.

lay of May, 2021.



RICHARD G. HILL, ESQ.

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Declaration of Richard G. Hill, Esq. to:

Jaime La Roca

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EXHIBIT PAGE ONLY

EXHIBIT >

HUTCHISON & STEFFEN
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Attorneys for Ann Rafael-Straka

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR THE COUNTY OF WASHOE, STATE OF NEVADA

CASE NO.: PR20-00415
DEPT. NO.: PR

In the matter of the estate of,

CLIFFORD LAUGHTON,

Deceased.

**REPLY IN SUPPORT OF MOTION TO
REVOKE LETTERS TESTAMENTARY
AND TO REVOKE PROBATE FOR
LACK OF JURISDICTION UNDER NRS
136.010 et seq.**

Ann Rafael-Straka, by and through her counsel of record, hereby submits this *Reply in Support of Motion To Revoke Letters Testamentary and To Revoke Probate For Lack Of Jurisdiction Under NRS 136.010 et seq.* specifically replying to Richard Schulze's Opposition ("Opposition") filed on May 24, 2021.

POINTS AND AUTHORITIES

1. Introduction.

The Opposition, like Richard Schulze's ("Schulze") actions in much of this case, particularly the contested matters, presents his positions and allegations that are at once contradictory and inflammatory while ignoring the facts and applicable law in what can only be described as obfuscation at best and intentional misrepresentation at worst. At a minimum, the legal positions taken by Schulze demonstrate a loose regard for facts as well as the ethical duties

1 he and his counsel owe as the ostensible fiduciary nominated to administer the Decedent's Estate.
2 Despite Schulze's baseless assertion that "the case is becoming more and more factually
3 convoluted every day as additional instances of wrongdoing by Straka and Gross are discovered
4 which appear to demonstrate their efforts to deplete the estate of Cliff Laughton and in fact divert
5 those assets to themselves," the facts are clear: (1) the Decedent was not a resident of Nevada
6 despite Schulze's repeated and intentional misrepresentations; (2) Schulze has had letters of
7 administration for 9 months, and yet he cannot produce any evidence supporting his inflammatory
8 claims, including those in his Opposition; (3) despite repeated, unfounded allegations in multiple
9 pleadings, Schulze cannot produce any evidence of "wrongdoing by Straka and Gross," but
10 instead reverts to slinging mud to cover his own wrongdoing; (4) despite Schulze's baseless
11 accusation that Ms. Rafael-Straka and Mr. Gross are somehow engaging in "efforts to deplete the
12 estate of Cliff Laughton and in fact divert those assets to themselves," the only parties who have
13 received anything of value from this Estate are Schulze and his attorney in the form of attorneys'
14 fees petitioned for and awarded despite the continued confusion wrought in this case by the
15 Personal Representative.

16 The Opposition contains numerous misstatements of the facts and law although only a few
17 particularly relevant misrepresentations and omissions will be addressed in this Reply. One
18 particularly egregious example is Schulze's claim that Ms. Rafael-Straka wrongfully possesses
19 "attorney-client privileged emails between Mr. Laughton and his counsel." Schulze ignores the
20 fact that he had previously agreed with Ken Gross and Ms. Rafael-Straka that, "Both parties will
21 cooperate to provide full access to all source documents" as confirmed in an email from Mr.
22 Gross to Schulze and Richard Caifano dated September 28, 2020. Schulze's claim of privilege
23 also ignores applicable Nevada law providing an explicit exception to the privilege claimed,
24 violating Schulze and his counsel's duties as attorneys in NRPC 3.3(a)(2).

25 Schulze further argues that his deceit regarding the Decedent's residency is a fait
26 accompli, leaving this Court with no ability to review the subject matter jurisdiction assumed
27 based on Schulze's false representations to the Court. Schulze also wrongly asserts that Ms.
28

1 Rafael-Straka waived subject matter jurisdiction and that this Court is now bound by “the law of
2 the case” and cannot review whether it has subject matter jurisdiction of Decedent’s estate, in
3 spite of controlling Nevada law on this issue.

4 Finally, the Opposition conflates ownership of Nevada assets by a Nevada entity with the
5 Decedent’s alleged ownership of such Nevada entity, creating a distorted picture of the “Estate”
6 to bootstrap jurisdiction.¹ Schulze’s preposterous position creates an unworkable regime in which
7 many thousands of non-Nevada residents who own shares of Nevada corporations or membership
8 interests in Nevada limited liability companies would find their “estates” subject to primary
9 probate jurisdiction in Nevada upon their death. Nevada law does not contemplate such a result,
10 and any argument for such adoption is detached from reason and reality and the applicable law.

11 Schulze has had letters of administration since August 7, 2020, based on his representation
12 that Decedent was a resident, which he knew to be false based on his prior emails with the
13 Decedent. In all that time since letters were issued, Schulze has not obtained any evidence to
14 support his misrepresentation that Decedent was a resident of Nevada nor that he had any
15 property “located in Nevada” as required to grant this Court subject matter jurisdiction. Schulze’s
16 *post hoc* arguments for jurisdiction are devoid of any factual or legal support and expose
17 Schulze’s continued misrepresentations and lack of candor to the Court. Therefore the
18 Opposition must be denied. Ms. Rafael-Straka has provided ample evidence for this Court to
19 conclude that it lacks subject matter jurisdiction of Clifford Laughton’s Estate and revoke
20 Schulze’s letters testamentary and the probate of the Estate. Schulze’s actions in misrepresenting
21 the Decedent’s residency to this Court are sufficient to find that he breached his duty of candor
22 and order the return of all fees paid from the Estate.

23 ///

24
25 ¹ Schulze again brazenly espouses a position entirely opposite and contradictory to his November 24, 2020 *Petition*
26 *for Instructions Regarding Allocation and Payment of Federal Estate Taxes Pursuant to NRS 150.290-150.390,*
27 *Inclusive (The Federal Estate Tax Apportionment Law)*, regarding Ms. Rafael-Straka’s ownership of the assets in
28 question supported by a validly executed agreement regarding ownership of certain assets including CL MGT
CORP., signed by Schulze, Ms. Rafael-Straka, and Richard Caifano on October 15, 2020. A copy of the Agreement
is attached as Exhibit 1. Instead of “picking which horse he intends to race,” he has juggled the competing positions
to continue to drive expansive discovery requests, and again uses the contradictory position to bootstrap his argument
for jurisdiction.

1 **2. Legal Argument.**

2 **a. The Motion is Not Time Barred.**

3 Defects in subject matter jurisdiction may be addressed at any time by the court, and
4 cannot be waived by parties. *See Washoe Cty. v. Otto*, 128 Nev. 424, 434-35, 282 P.3d 719, 727
5 (2012) (explaining that a district court lacks subject matter jurisdiction to consider a petition for
6 judicial review where the petitioner fails to comply with the statutory requirements for filing the
7 petition); *see also Vaile v. Eighth Judicial Dist. Court*, 118 Nev. 262, 276, 44 P.3d 506, 515-16
8 (2002) (“...subject matter jurisdiction cannot be waived and may be raised at any time, or *sua*
9 *sponte* by a court of review”); *Basin Energy Co. v. Howard*, 447 S.W.3d 179 (2014); *McCullough*
10 *& Sons, Inc. v. City of Vadenais-Heights*, 883 N.W.2d 580 (2016) (“Courts can question subject-
11 matter jurisdiction at any time, even if the parties to a case have not done so.”)

12 Regardless of the prior pleadings filed by either party or the previous orders entered by
13 this Court, the review of subject matter jurisdiction “may be raised at any time.” *Vaile* at 275.
14 The “law of the case” as defined by Schulze does not bar this Court from reviewing subject matter
15 jurisdiction. *Id.*

16 Schulze’s argument that Ms. Rafael-Straka has waived jurisdiction fails under Nevada
17 law, which provides that “...subject matter jurisdiction cannot be waived...” *Id.* Therefore, this
18 Court must proceed with an analysis of its jurisdiction based on Schulze’s prior
19 misrepresentations regarding the Decedent’s residency.

20 **b. Schulze’s Complicity in Laughton’s False Claim of Residency is Crucial In**
21 **Analyzing the Opposition, and Denying Subject Matter Jurisdiction.**

22 Schulze makes numerous misrepresentations in his Opposition and supporting Affidavit in
23 an attempt to obfuscate his own understanding of the Decedent’s residency, and deflect this
24 Court’s review away from his own actions. As a housekeeping matter, Ms. Rafael-Straka’s
25 position regarding the Decedent’s tax position presented in the Motion to Revoke is only based on
26 “recent tax returns” as indicated in her Motion, not all tax returns as Schulze indicates in his
27 Opposition. Opposition at 4:15-16. Another minor example of Schulze’s misrepresentation, but
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one which shows Schulze's lack of credibility as a witness, is Schulze's claim that he "did not receive Mr. Laughton's tax return filings for tax years 2010-2018 until after the initial court filings," and that such tax return filings "were not available" until after the initial court filings. Schulze Declaration in Support of Opposition at ¶ 8; Opposition at 4:20-21. However, Schulze was never denied access to any company materials or tax information, and in fact received Decedent's Federal Income Tax Returns for tax years 2017 and 2018 by email from Ken Gross on August 26, 2020, before Schulze filed his Petition for Probate. A copy of Mr. Gross' August 26, 2020 email is attached as **Exhibit 2**. These tax returns show Decedent claiming a mortgage interest deduction on his primary residence in Hawaii beginning the same time he started filing Hawaii RESIDENT Tax Returns.

Decedent's prior ownership of a home in Montreux was sold in 2011 and the sale records indicate Decedent represented that the house was "never occupied" or in other words, not his residence. Regardless, Schulze's emails with the Decedent, provided as exhibits to the Motion, indicate clearly that he understood that the Decedent needed to use Schulze's home address to create the appearance of Nevada residency. Therefore, Schulze's claim that he believed the Decedent was a resident of a Montreux home is directly contradicted by his own emails with Decedent.

Additionally, Schulze claims, "In the Motion for Appointment of Special Administrator I also included as Mr. Laughton's address the mailing address on Wedge Parkway which has been used by Mr. Laughton and which Ann Rafael-Straka herself has provided to me as Laughton's address." In fact, Schulze emailed Ms. Rafael-Straka on July 22, 2020 asking for "the Nevada address Cliff used for his tax returns" to which Ms. Rafael-Straka replied with Decedent's Wedge Parkway mailing address, which address was already known by Schulze. A copy of the July 22, 2020 email and reply is attached as **Exhibit 3**. Schulze, a Nevada attorney, purposefully and intentionally did not ask Ms. Rafael-Straka for Decedent's residence in order to prepare the Motion for Special Administration. Instead, he asked for "the Nevada address Cliff used for his tax returns," which does not have to be the residential address of the taxpayer. Yet again, Schulze

1 attempts to deflect this Court's attention from his own improper actions and falsely accuse Ms.
2 Rafael-Straka.

3 Finally, Schulze's emails with the Decedent included as exhibits to the Motion
4 significantly show Schulze's knowledge of Decedent's intent to create a fictitious Nevada
5 residency, and Schulze's agreement to use his own home address for such purposes. However,
6 Schulze previously waived any privilege over such documents when he was communicating with
7 Ms. Rafael-Straka and Mr. Gross to resolve the ownership of entities and assets related to the
8 Decedent's gift to Ms. Rafael-Straka. Mr. Gross confirmed by email with Schulze that, "Both
9 parties will cooperate to provide full access to all source documents" including all of the
10 Decedent's emails, in particular the emails provided with the Motion.

11 Even if Schulze hadn't previously waived the Estate's attorney-client privilege over
12 Decedent's prior emails with Schulze, the emails are explicit exceptions to the privilege provided
13 under Nevada law. NRS 49.115 provides in pertinent part, "**There is no privilege under NRS**
14 **49.095 or 49.105: ... 2. As to a communication relevant to an issue between parties who**
15 **claim through the same deceased client**, regardless of whether the claims are by testate or
16 intestate succession or by *inter vivos* transaction." (emphasis added). Ms. Rafael-Straka and the
17 Personal Representative are "parties who claim through the same deceased client, [Mr.
18 Laughton]." Therefore, no privilege exists as to Decedent's communication with Schulze as his
19 attorney relevant to the issue of the factual basis or lack thereof for residence in Nevada.
20 Schulze's emails with Decedent on this issue are relevant, admissible, not privileged, and
21 demonstrate Schulze knew Decedent had no actual presence in Nevada to establish residency.

22 **c. No Part of Decedent's Estate is Located in Nevada.**

23 Schulze claims first that NRS 150.300, part of The Federal Estate Tax Apportionment
24 Law, defines "estate" as "all property" for jurisdictional purposes. Schulze further claims that
25 Decedent's Estate, which Schulze alleges owns shares in a Nevada corporation or membership in
26 a Nevada LLC, is therefore subject to the jurisdiction of the probate courts of Nevada. This
27 argument is without any support and has no basis in Nevada law.
28

1 First, the NRS 150.300 definition provided by Schulze conveniently excludes the
2 qualifying language at the beginning of the statute (“As used in NRS 150.290 to 150.380,
3 inclusive ...”), which would directly contradict his assertion that such definition applies to
4 “estates” for all purposes, including subject matter jurisdiction. Instead, NRS 150.300 explicitly
5 states that this definition does not apply to all of Title 12, and certainly not NRS 136.010.

6 However, NRS 136.010 sets the jurisdiction in the Nevada court “In which any part of the
7 estate is located.” Therefore, only such a Court where any part of the estate is located may issue
8 letters. Clearly, the location of Nevada real property is fixed in the county in which it is located.
9 However, personal property, particularly intangible assets, have no fixed location. Therefore an
10 intangible asset, such as ownership of an entity, cannot be said to be “located” in Nevada or
11 anywhere, which is why such assets are generally probated in the jurisdiction in which the
12 decedent is a resident, not in an ancillary jurisdiction, such as Nevada would be here.

13 Unsurprisingly, Schulze again argues against his own explicit position taken in his
14 November 24, 2020 *Petition for Instructions Regarding Apportionment of Estate Taxes* regarding
15 the gift of the shares in CL MGT Corp given to Ms. Rafael-Straka by the Decedent. In his
16 Apportionment Petition, Schulze petitioned this Court not only to declare the value of the gift
17 without evidence, but also to order Ms. Rafael-Straka to pay a proportionate share of the potential
18 estate taxes based on the gift.

19 However, since filing his Apportionment Petition, Schulze fired Ms. Rafael-Straka from
20 her position in the Decedent’s remaining management company and denied her contractual
21 compensation while engaging in protracted, overbroad discovery practice **rather than focusing**
22 **on the date of death value of the Decedent’s purported Estate**. Schulze has since repeatedly
23 represented to this Court without evidence that the gift to Ms. Rafael-Straka was somehow not
24 valid. To support his claim, Schulze declares that the disclosure of Ms. Rafael-Straka’s gift
25 “approximately 8 months following the alleged gift” is somehow “suspect.” As a reminder, the
26 Decedent died approximately 6 months after the gift in late December 2020. However, Schulze
27 fails to explain why Ms. Rafael-Straka would have any reason or duty to disclose such gift to
28

1 Schulze at any time prior to Decedent's death. This baseless accusation exemplifies Schulze's
2 repeated tactic of hit-and-run allegations meant to create out of whole cloth controversy without
3 any evidentiary support in an obvious attempt to deflect from the deficits of Schulze's position.

4 However, arguendo, even if Schulze's baseless accusation regarding ownership of the gift
5 was correct, this Court still lacks subject matter jurisdiction over the Decedent's Estate. The
6 ownership by Nevada entities of real properties in Nevada are not imputed to the owners of the
7 entity itself. To suggest otherwise would turn Title 7 of the Nevada Revised Statutes on its head
8 and defeat the purpose of such laws: to provide legal separation of assets and liabilities from the
9 entity owners. While it is true that a sole proprietorship provides no such separation, ownership of
10 shares in a corporation or membership in an LLC does not implicate ownership of company assets
11 to the company owner without piercing the "corporate veil." NRS 78.747, extended to apply to
12 LLCs in *Gardner v. Henderson Water Park*, 133 Nev. Adv. Op. 89. Both corporations like CL
13 MGT and LLCs like Hawaii Holdings, LLC create a legal separation between the owners of these
14 companies and the underlying assets.

15 Ownership in an LLC of "real and personal property owned or purchased by a company
16 must be held and owned, and conveyance made, in the name of the company." NRS 86.311.
17 Similarly, every Nevada corporation is authorized "To conduct business, have one or more
18 offices, and hold, purchase, lease, mortgage, convey and take by devise or bequest real and
19 personal property in this State, and in any of the several states, territories, possessions and
20 dependencies of the United States, the District of Columbia, Puerto Rico and any foreign
21 countries." NRS 78.070(4). Finally, shares of corporations (NRS 78.240), and membership in an
22 LLC (NRS 86.351(1)) are explicitly personal property held by the owner.

23 CL MGT CORP, which was explicitly gifted by Decedent to Ms. Rafael-Straka as agreed
24 to by Schulze in the Agreement, is not a part of the Decedent's Estate. Schulze explicitly agreed:

25 At the time of the gift to Ann of the CL Mgt share certificates, it is agreed that
26 Hawaii Holdings, LLC (Nevada) and all its assets and liabilities at the time of the
27 gift (January 1, 2020) were owned 100% by CL Mgt and not by Clifford
28 Laughton personally or by the Trust.

1 Therefore, Schulze is precluded from arguing otherwise by the Agreement. Further, despite
2 repeated assertions that he is not bound by the Agreement, Schulze cannot provide any evidence
3 why now, 7 months after the execution of the Agreement, he has any basis to violate the
4 Agreement.

5 However, Schulze's position is so preposterous that even if the shares of CL MGT CORP
6 were deemed to have been owned by the Decedent at his death, the only asset therefrom
7 attributable to the Decedent would be the shares of CL MGT CORP, which is personal property
8 "located" in Hawaii where he was a resident, and this Court would still have to grant the Motion.
9 This Court has no jurisdiction to impute the ownership of the underlying assets of CL MGT
10 CORP to Decedent through his Estate since **the Decedent was not the owner of the underlying**
11 **assets, including the undeveloped Washoe County lots owned by Hawaii Holdings, LLC,**
12 **which is an asset of CL MGT CORP.** This Court would have to ignore NRS 78 and NRS 86 in
13 order to impute the undeveloped Washoe County Lots to the Decedent and accept Schulze's
14 arguments in his Opposition.

15 **d. Schulze's Actions and Misrepresentations Require Removal as Personal**
16 **Administrator.**

17 Instead of claiming mistake or ignorance regarding the misrepresentations of Decedent's
18 residence for purpose of creating whole cloth jurisdiction of the Estate for this Court, Schulze has
19 doubled-down in the face of evidence presented to this Court and continues to misrepresent the
20 facts and obfuscate the applicable law. At a minimum, Schulze has demonstrated a lack of
21 integrity by the misrepresentations to this Court rendering him unqualified to serve as executor.
22 NRS 138.020(1)(c). It is more likely that Schulze is serving under a severe conflict of interest by
23 seeking to generate continuing fees for himself in perpetuity, a scheme that was only thwarted by
24 this Court denying his request to double-dip into the Estate for fees as both Personal
25 Representative and as his own attorney. The time has come to end this scheme and require
26 Schulze and his lawyers to disgorge their fees improperly received from the Estate.

1 **3. Conclusion.**

2 There are no facts that Schulze can present that can overcome the evidence presented with
3 the Motion to Revoke, nor are there any facts that can overcome the lack of subject matter
4 jurisdiction in Nevada of the Decedent's estate. The estate must be administered, but in Hawaii
5 where he was a resident. The affidavits of Laughton's associates and family show that he was a
6 long term resident of Hawaii and never lived in Nevada. There is nothing wrong with the desire to
7 avoid taxes through legal means, but tax evasion is illegal and lawyers who assist clients in such
8 endeavors are thumbing their noses at the legal system they were sworn to uphold. In this case,
9 Schulze drafted and executed an estate plan with the central theme of feigning Nevada residency
10 to evade Hawaii income and estate taxes. Such behavior cannot be tolerated or rewarded by this
11 court. For the foregoing reasons, Ms. Rafael-Straka respectfully requests that this Court enter an
12 order: (1) declaring that Clifford Laughton was not a Nevada resident, (2) declaring that the Court
13 lacks subject matter jurisdiction over the estate of Clifford Laughton as required under NRS
14 136.010; (3) revoking the letters testamentary issued to Richard Schulze, (4) revoking the probate
15 of Clifford Laughton's Will granted upon Schulze's Petition for Probate; (5) requiring Richard
16 Schulze and his attorneys to return all fees obtained from the Estate; and (6) closing the matter
17 accordingly.

18 AFFIRMATION
19 (Pursuant to NRS 239B.030)

20 The undersigned does hereby affirm that the preceding document filed in this court does not
21 contain the social security number of any person.

22 DATED this 1st day of June, 2021.

23 HUTCHISON & STEFFEN, PLLC

24 /s/ Russel J. Geist

25 Joseph R. Ganley (5643)

26 Todd L. Moody (5430)

27 Russel J. Geist (9030)

28 Joseph J. Powell (8775)

Attorneys for Ann Rafael-Straka

1 **CERTIFICATE OF SERVICE**

2 Pursuant to NRCP 5(b), I certify that I am an employee of HUTCHISON & STEFFEN,
3 PLLC and that on this 1st day of June, 2021, I caused the above and foregoing documents entitled
4 **MOTION TO REVOKE LETTERS TESTAMENTARY AND TO REVOKE PROBATE**
5 **FOR LACK OF JURISDICTION UNDER NRS 136.010 et seq.** to be served as follows:
6

- 7 ☐ by placing same to be deposited for mailing in the United States Mail, in a sealed
8 envelope upon which first class postage was prepaid in Las Vegas, Nevada; and/or
9 ☒ sent electronically via the Court's electronic service system; the date and time of
10 this electronic service is in place of the date and in place of deposit in the mail;
and/or

11 to the attorney(s) listed below at the address and/or facsimile number indicated below:

12 *Via Electronic Service*

13 Robert A. Dotson, Esq.

14 Justin C. Vance, Esq.

Dotson Law

5355 Reno Corporate Dr., Ste. 200

Reno, NV 89511

Attorneys for Richard P. Schulze

17
18 */s/ Amber Anderson-Reynolds*

19 An employee of Hutchison & Steffen, PLLC
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LIST OF EXHIBITS

**MOTION TO REVOKE LETTERS TESTAMENTARY AND TO REVOKE PROBATE
FOR LACK OF JURISDICTION UNDER NRS 136.010 et seq.**

CASE NO.: PR20-00415

Exhibit No.	DOCUMENT TITLE	# OF PAGES
1	Agreement signed on October 15, 2020	8
2	August 26, 2020 Email exchange between Mr. Gross and Mr. Schulze	2
3	July 22, 2020 Email exchange between Ms. Rafael-Straka and Mr. Schulze	4

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EXHIBIT 1

HUTCHISON & STEFFEN
A PROFESSIONAL LLC

AGREEMENT

This Agreement is made and entered into this 15th day of October, 2020 by and between the Laughton Living Trust (the "Trust") on one side, and Ann Rafael-Straka on the other side, for the purpose of resolving issues relating to the ownership of certain assets previously owned by Clifford Laughton. The Trust and Ann are collectively referred to herein as the "Parties."

RECITALS

WHEREAS, Clifford Laughton passed away on July 13, 2020 at the age of 76;

WHEREAS, the Laughton Living Trust ("the Trust") is represented by three Trustees, Richard Schulze, Richard Caifano, and Ann Rafael-Straka;

WHEREAS, Ann Rafael-Straka has recused herself from representing the Trust in connection with this Agreement, and is represented by Kenneth Gross, Esq.;

WHEREAS, for the sole purposes of resolving the ownership of the assets whose ownership is designated as resolved through this Agreement and without waiving any future assertion of rights in general and specifically as to the assets whose ownership is not resolved hereby, the Parties have waived the conflicts of interest arising as a result of Kenneth Gross having been one of the personal attorneys to Clifford Laughton and serving as one of the attorneys of the entities whose ownership is resolved in this Agreement;

WHEREAS, in 2000, Clifford Laughton formed a Nevada Corporation called CL MGT. CORP. ("CL Mgt"), holding the positions of President and Director;

WHEREAS, Ann Rafael-Straka also served as a Director and Officer of CL Mgt with knowledge of corporate actions and activities and has disclosed all information known to her regarding the ownership of the assets and entities discussed herein;

WHEREAS, neither of Richard Schulze nor Richard Caifano have full knowledge of the operations and management of the entities described herein and are relying upon such documents as have been made available to them or they may have in their possession and such additional representations that have been made by Ann, individually and in her capacity as a shareholder, director, member or officer of any of the entities;

WHEREAS, in 2000 and 2001, Clifford Laughton formed two limited liability companies which came to be known as Hawaii Holdings, LLC (Hawaii), a Hawaii limited liability company, and Hawaii Holdings, LLC (Nevada), a Nevada limited liability company;

WHEREAS, prior to his death, Clifford Laughton ("Cliff") made a gift of 100% of the issued and outstanding stock of CL Mgt Corp, a Nevada corporation to Ann Rafael-Straka ("Ann"). It is conclusively presumed that as a result of this gift, Ann is the owner of 100% of the issued and outstanding stock of CL Mgt. Corp and sole owner of CL Mgt Corp;



WHEREAS, the Parties have engaged in negotiations to determine ownership of certain assets owned or managed by Clifford Laughton prior to his death;

WHEREAS, each of the Trust and Ann have made a full and fair disclosure of all facts known to each of them relevant to the resolution of the ownership of the assets discussed herein;

WHEREAS, the Parties now wish to memorialize this partial resolution of the ownership of certain assets owned and/or managed by Clifford Laughton prior to his death.

NOW, THEREFORE, in consideration of the foregoing and the agreements set forth in this Agreement, the Parties hereto, intending to be legally bound, agree as follows:

1. **Hawaii Holdings, LLC (Hawaii)**

At the time of the gift to Ann of the CL Mgt share certificates, it is agreed that Hawaii Holdings, LLC (Hawaii) and all its assets and liabilities at the time of the gift (January 1, 2020) were owned 100% by CL Mgt, and not by Clifford Laughton personally or by the Trust. The following assets and companies are owned by Hawaii Holdings, LLC (Hawaii) and were owned by Hawaii Holdings, LLC (Hawaii) on and before January 1, 2020:

- Loan to Dennis Mee Lee
- Growers Secret, *Grower's Secret, Inc.*
- Hawaii PMI, *Hawaii PMI, LLC*
- Interactive Content Engines, *Interactive Content Engines, LLC*
- Kohanaiki, *Kohanaiki Properties, LLC*
- Lurline, *The Vessel Lurline, LLC*

2. **Hawaii Holdings, LLC (Nevada)**

At the time of the gift to Ann of the CL Mgt share certificates, it is agreed that Hawaii Holdings, LLC (Nevada) and all its assets and liabilities at the time of the gift (January 1, 2020) were owned 100% by CL Mgt, and not by Clifford Laughton personally or by the Trust. The following assets and companies are owned by Hawaii Holdings, LLC (Nevada) and were owned by Hawaii Holdings, LLC (Nevada) on and before January 1, 2020:

- Cambodia Undeveloped Property, *Laughton Investment Co., Ltd*
- Account Receivable for Glass Ewald
- Undeveloped parcels located at 6603 Gebser Court and 20123 Bordeaux Drive in Reno, NV, *Hawaii Holdings, LLC (NV)*



3. **Assets Owned by the Estate.** The following assets shall be conclusively presumed to be owned by the Estate:

- Executive Centre Holdings, LLC, a Nevada limited liability company, and Executive Centre Apartments, LLC, a Nevada limited liability company.
- Nevada Holdings, Ltd., a Nevada corporation.
- Items titled in the sole name of Clifford Laughton (e.g., the residence located at 611 Puuikena Drive, Honolulu, Hawaii) unless otherwise specified.

4. **Personal Property.** Some types of personal property are clearly owned by one of the aforementioned entities and are considered to be part of those entities. For other personal property which is not clearly owned by one of the aforementioned entities, the Parties hereby agree that any personal property used in the ongoing and daily business operations of any of Hawaii Holdings, LLC (Hawaii), Hawaii Holdings, LLC (Nevada), Executive Centre Holdings, LLC, Executive Centre Apartments, LLC, and their sub-entities, shall be considered to be owned by those companies. Any personal property which was not either clearly owned by one of the aforementioned entities, or used in the ongoing and daily business operations of the above companies, will be considered owned by the Estate. By way of example and not limitation, items owned by the Estate shall include gold coins (wherever located), Rolex watch, piano, personal artwork, and personal property held in storage with Christie's Fine Art Storage, etc.

5. **Effective Date.** The effective date of the change of ownership of the aforementioned companies and assets is agreed to be Midnight on December 31, 2019. Ann will prepare, for the review and approval of all Parties to this Agreement, an accounting of all revenues and expenses during the period Jan 1, 2020 – Present associated with the companies assets addressed by this Agreement. Once this process is completed, and all figures approved, there will be an exchange of funds to settle these accounts among their rightful owners. The Parties shall hold discussions to address the timing for this exchange of funds.

6. **Assets Whose Ownership is Disputed.** Ownership of the following entities remain in dispute:

- *La Noria 92, LLC*
- *Marina Sol A-314, LLC*
- *Fundadores 11, LLC*

7. **Continuing Discussions.** The Parties wish to amicably resolve their differences over the ownership of the three remaining disputed assets (La Noria 92, LLC; Marina Sol A-314, LLC and Fundadores 11, LLC) and agree to continue holding discussions in good faith in an effort to reach agreement.

8. **Full and Irrevocable Effect.** This Agreement shall have a full and irrevocable effect with respect to the assets addressed herein and whose ownership is designated as resolved

herein. The Parties acknowledge and agree that they may be irreparably damaged if any of the provisions of this Agreement are not fulfilled in accordance with their terms and that any breach of this Agreement may not be adequately compensated by monetary damages alone. Accordingly, in addition to any other right or remedy to which the Parties may be entitled at law or in equity, they shall be entitled to enforce any provision of this Agreement by injunctive relief and/or a decree of specific performance to prevent any breaches or threatened breaches.

9. **Implementation.** The Parties will at any time, and from time to time, upon request of any other Party, execute, acknowledge and deliver all such further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances as may be required to carry out the intent of this Agreement, provided, however, that this Agreement shall be deemed controlling as to the Parties' rights regardless of when or whether any such additional documents are executed .

10. **General Provisions**

A. **Entire Agreement, Modification, Amendments.** This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, whether written or oral, between the parties with respect to its subject matter. This Agreement may not be amended, supplemented, or otherwise modified except by a written agreement properly executed by all Parties.

B. **Governing Law.** This Agreement will be governed by and construed under the laws of the State of Nevada without regard to conflicts-of-laws principles that may require the application of any other law.

C. **Execution of Agreement.** This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by facsimile transmission or by scan-and-email shall constitute effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes. Signatures of the Parties transmitted in this way shall be deemed to be their original signatures for all purposes.


D. **Representation of Authority.** Unless otherwise stated herein, each Party represents that it has full authority to execute this Agreement and that all other Parties can rely upon this representation.

E. **Drafting / Interpretation.** The parties acknowledge and confirm that they and each of their respective attorneys have participated jointly in the review and revision of this Agreement and that it has not been written solely by counsel for one party. The parties stipulate and agree that the rule of construction to the effect that any ambiguities are to be or may be resolved against the drafting party shall not be employed in the interpretation of this Agreement to favor any Party against another. Specifically, the rule of "interpretation against the draftsman" shall not apply in any dispute over the interpretation of the terms of this Agreement

E. Representation by Counsel. Each party to this Agreement represents that he or she has read and understood each provision of this Agreement and has discussed this Agreement with legal counsel and/or such other professional as that Party may deem appropriate or has been provided with the opportunity to discuss this Agreement with legal counsel and/or such other professional as that Party may deem appropriate.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the year and date first above written:

By 
Richard Schulze, Trustee of the Laughton Living Trust

By 
Richard Caifano, Trustee for the Laughton Living Trust

By 
Ann Rafael-Straka, Individually

Addendum to Agreement

Each of Kenneth Gross, Richard Schulze and Richard Caifano have served as a personal attorney for Clifford Laughton and one or more of the various entities whose ownership is at issue in the Agreement dated October 15, 2020 between the Laughton Living Trust (the "Trust") on one side, and Ann Rafael-Straka (Ann) on the other side (the "Agreement"). The knowledge possessed by each of these attorneys has been used for the purpose of resolving issues relating to the ownership of certain assets previously owned by Clifford Laughton. Each has actively participated in the cooperative resolution of the dispute resolved by the Agreement. The assurances provided in this Addendum to Agreement are fundamental and integral to each of Ann and the Trust entering into the Agreement.

Richard Schulze has actively participated in the cooperative resolution of the dispute between the parties resolved by the Agreement. By signing below, Richard Schulze affirms he has been provided with such information and documents as he may deem necessary to adequately represent the trust estate of the Laughton Living Trust and allow the Laughton Living Trust to knowingly enter into the Agreement. By signing below, Richard Schulze affirms to his best knowledge and recollection, that there are no documents in his possession or known to him which contradict the ownership of assets as determined and resolved in the Agreement.

Richard Caifano has actively participated in the cooperative resolution of the dispute between the parties resolved by the Agreement. By signing below, Richard Caifano affirms he has been provided with such information and documents as he may deem necessary to adequately represent the trust estate of the Laughton Living Trust and allow the Laughton Living Trust to knowingly enter into the Agreement. By signing below, Richard Caifano affirms to his best knowledge and recollection, that there are no documents in his possession or known to him which contradict the ownership of assets as determined and resolved in the Agreement.

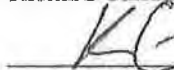
Kenneth Gross has actively participated in the cooperative resolution of the dispute between the parties resolved by the Agreement. By signing below, Kenneth Gross affirms he has been provided with such information and documents as he may deem necessary to adequately represent Ann and allow Ann to knowingly enter into the Agreement. By signing below, Kenneth Gross affirms to his best knowledge and recollection, that there are no documents in his possession or known to him which contradict the ownership of assets as determined and resolved in the Agreement.

Dated: October 15, 2020


Richard Schulze

Dated: October 15, 2020

Richard Caifano


Kenneth Gross

Dated: October 15, 2020

Addendum to Agreement

Each of Kenneth Gross, Richard Schulze and Richard Calfano have served as a personal attorney for Clifford Laughton and one or more of the various entities whose ownership is at issue in the Agreement dated October 15, 2020 between the Laughton Living Trust (the "Trust") on one side, and Ann Rafael-Sraks (Ann) on the other side (the "Agreement"). The knowledge possessed by each of these attorneys has been used for the purpose of resolving issues relating to the ownership of certain assets previously owned by Clifford Laughton. Each has actively participated in the cooperative resolution of the dispute resolved by the Agreement. The assurances provided in this Addendum to Agreement are fundamental and integral to each of Ann and the Trust entering into the Agreement.

Richard Schulze has actively participated in the cooperative resolution of the dispute between the parties resolved by the Agreement. By signing below, Richard Schulze affirms he has been provided with such information and documents as he may deem necessary to adequately represent the trust estate of the Laughton Living Trust and allow the Laughton Living Trust to knowingly enter into the Agreement. By signing below, Richard Schulze affirms to his best knowledge and recollection, that there are no documents in his possession or known to him which contradict the ownership of assets as determined and resolved in the Agreement.

Richard Calfano has actively participated in the cooperative resolution of the dispute between the parties resolved by the Agreement. By signing below, Richard Calfano affirms he has been provided with such information and documents as he may deem necessary to adequately represent the trust estate of the Laughton Living Trust and allow the Laughton Living Trust to knowingly enter into the Agreement. By signing below, Richard Calfano affirms to his best knowledge and recollection, that there are no documents in his possession or known to him which contradict the ownership of assets as determined and resolved in the Agreement.

Kenneth Gross has actively participated in the cooperative resolution of the dispute between the parties resolved by the Agreement. By signing below, Kenneth Gross affirms he has been provided with such information and documents as he may deem necessary to adequately represent Ann and allow Ann to knowingly enter into the Agreement. By signing below, Kenneth Gross affirms to his best knowledge and recollection, that there are no documents in his possession or known to him which contradict the ownership of assets as determined and resolved in the Agreement.

Dated: October 15, 2020

Richard Schulze

Dated: October 15, 2020


Richard Calfano

Dated: October 15, 2020

Kenneth Gross

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EXHIBIT 2

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

Amber Anderson-Reynolds

From: Ken Gross <kengross@cfl.rr.com>
Sent: Tuesday, May 25, 2021 7:54 AM
To: Russel J. Geist
Subject: Schulze Affidavit - Para 8
Attachments: Yr 2017 Federal Tax Return.pdf; Yr 2018 Federal Tax Return.pdf

Schulze Affidavit – Para 8 states that he “did not receive copies of Mr. Laughton’s tax return filings for tax years 2010-2018 until after the initial court filings.” This is misleading. Many of those tax returns were provided as early as August. See below email.

From: Ken Gross <kengross@cfl.rr.com>
Sent: Wednesday, August 26, 2020 4:50 PM
To: Schulze, Richard P. <rps@renolegal.com>; 'Caifano, Richard' <caifanolaw@att.net>
Cc: Pepper, Andy <andrew.pepper@jacksonlewis.com>
Subject: FW: C Laughton Tax Returns

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EXHIBIT 3

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

Amber Anderson-Reynolds

From: Ann Rafael-Straka <rafael-straka@hihold.com>
Sent: Monday, May 24, 2021 7:48 PM
To: Ken Gross; Russel J. Geist
Subject: Email from Schulze Inquiring Cliff's address
Attachments: 20200722075720.pdf

See below. Schulze asked me the address Cliff used on his tax return.

Ann

Ann Rafael-Straka
Hawaii Holdings, LLC
Phone No: 808-523-5000
Email: rafael-straka@hihold.com

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----- Forwarded message -----

From: Ann Rafael-Straka <rafael-straka@hihold.com>
Date: Wed, Jul 22, 2020 at 2:07 PM
Subject: Re: Special Administrator
To: Richard Schulze <rps@renolegal.com>
Cc: Richard Caifano <caifanolaw@att.net>, Melissa Hartman <mth@renolegal.com>

1. Can you provide me with the Nevada address Cliff used for his tax returns? [18124 Wedge Pkwy #456, Reno, NV 89511](#)
2. Did Cliff leave written instructions regarding his funeral? Can you send me a copy of these? [See attached.](#)
3. Were the funeral expenses pre-paid? [Cliff selected and prepaid for his grave at All Saints Cemetery.](#) Are there any amounts which were not pre-paid? [Yes, arrangements with Nuuanu Mortuary which includes casket, service, transport to Chicago \\$9,227.94. Nuuanu required payment so a payment was processed from HH's account. I'm awaiting the cost from Montclair-Lucania Funeral Home.](#) I can ask the court to allow payment of these expenses from the accounts. [Would be nice if HH is reimbursed for funeral expenses.](#)
4. I will need to provide the court with the names and addresses of the children. I will not be required to give them notice. Do either of you have addresses for them? [The following is the last known address I have on file for Cliff's sons.](#)

[Jeffrey Michael Lang](#)
[1052 Evergreen Street](#)
[Mundelein, IL 60060](#)

[Scott Allen Lang](#)
[6W. Fabish Drive](#)
[Buffalo Grove, IL 60089](#)

Mitchell August Lang
1814 Stoddard Avenue
Wheaton, IL 60187

Ann

Ann Rafael-Straka
Hawaii Holdings, LLC
1088 Bishop Street, Suite 4100
Honolulu, HI 96813
Phone No: 808-523-5000
Facsimile No: 808-523-5010
Email: rafael-straka@hihold.com

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On Wed, Jul 22, 2020 at 1:45 PM Richard Schulze <rps@renolegal.com> wrote:

Good afternoon and evening respectively,

I am nearly finished with the petition for special administrator and require some information from Anne.

1. Can you provide me with the Nevada address Cliff used for his tax returns?
2. Did Cliff leave written instructions regarding his funeral? Can you send me a copy of these?
3. Were the funeral expenses pre-paid? Are there any amounts which were not pre-paid? I can ask the court to allow payment of these expenses from the accounts.
4. I will need to provide the court with the names and addresses of the children. I will not be required to give them notice. Do either of you have addresses for them?

Thanks,

Rich

Richard P. Schulze, JD, MBA

Schulze | Law Group

Partnering with You through Life's Transitions

140 West Huffaker Lane | Suite 510 | Reno, NV 89511 | Tel (775)853-5700 | Fax (775)853-5588 | RenoElderLaw.com

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When Email Not Legal Advice: When we don't represent you, whatever we say in our email, including any attachment, whether helpful or harmful, is not legal advice, and you can't rely on it.

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HUTCHISON & STEFFEN
A PROFESSIONAL LLC

3370

IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
IN AND FOR THE COUNTY OF WASHOE

In the Matter of the Estate of:

Case No. PR20-00415

CLIFFORD LAUGHTON,

Dept. PR

Deceased.

**AMENDED ORDER TERMINATING SPECIAL ADMINISTRATION AND
REVOKING LETTERS OF SPECIAL ADMINISTRATION; ADMITTING WILL TO
PROBATE; ISSUANCE OF LETTERS TESTAMENTARY AND FOR GENERAL
ADMINISTRATION**

The Petition of RICHARD P. SCHULZE entitled *Report of Special Administrator;
Request to Terminate Special Administration and Revocation of Letters of Special
Administration; Petition for Admission of Will to Probate; Issuance of Letters
Testamentary and for General Administration of Estate* in the above-entitled
proceeding, coming on regularly to be heard on this 14th day of October, 2020, at
10:00 a.m. and no person appearing to contest said Petition, the Court, after
examining the Petition and hearing the evidence finds that CLIFFORD LAUGHTON
died on the 13th day of July 2020, a resident of Washoe County, State of Nevada;

1 that all Notices of said hearing have been given as required by law; and that the
2 facts alleged in said Petition are true, and therefore, grants said Petition as follows:

3
4 **IT IS ORDERED, ADJUDGED AND DECREED** that:

5 1. That due and proper notice of this hearing has been given as required
6 by law;

7 2. That the Special Administration is hereby terminated and Letters of
8 Special Administration are revoked in accordance with NRS 140.070;

9 3. That no further report of the Special Administrator shall be required,
10 in accordance with NRS 140.080;

11 4. That Letters Testamentary be issued to RICHARD P. SCHULZE, and a
12 General Administration be ordered;

13 5. That Petitioner shall serve without bond;

14 6. That the Personal Representative of the estate of CLIFFORD
15 LAUGHTON is authorized to sell any stocks and bonds owned by the estate which
16 may be sold upon an established stock or bond exchange without further notice or
17 confirmation by the court; and,

18 7. That the Personal Representative of the estate of CLIFFORD
19 LAUGHTON is authorized to sell any tangible personal property owned by the estate
20 which may depreciate in value if not disposed of promptly or which will cause the

21 //

22
23 //

1 estate to incur loss or expense by being kept without further notice but subject to
2 confirmation by this court when and as appropriate or required.

3 DATED this 24th day of June 2021.

4 Entered nunc pro tunc to the Court's *Order Terminating Special*
5 *Administration and Revoking Letters of Special Administration; Admitting Will to*
6 *Probate; Issuance of Letters Testamentary and for General Administration* entered
7 October 15, 2020.

8 **IT IS SO RECOMMENDED.**

9 
10 _____
PROBATE COMMISSIONER

11 **IT IS SO ORDERED.**

12 
13 _____
DISTRICT JUDGE

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EXHIBIT @

HUTCHISON & STEFFEN
A PROFESSIONAL LLC

Code: 3870

Joseph R. Ganley (5643)
Todd L. Moody (5430)
Russel J. Geist (9030)
Joseph J. Powell (8775)
HUTCHISON & STEFFEN, PLLC
10080 W. Alta Dr., Suite 200
Las Vegas, NV 89145
(702) 385-2500/Fax: (702) 385-2086
rgeist@hutchlegal.com

Attorneys for Ann Rafael-Straka

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR THE COUNTY OF WASHOE, STATE OF NEVADA

In the matter of the estate of,

CLIFFORD LAUGHTON,

Deceased.

CASE NO.: PR20-00415
DEPT. NO.: PR

**REQUEST FOR JUDICIAL REVIEW OF
RECOMMENDATION FOR ORDER TO
SET EVIDENTIARY HEARING ON
MOTION PURSUANT TO NRCP 53(f)(1)
AND WDCR 57.3(7)**

Ann Rafael-Straka (“Ann”), by and through her counsel of record, and pursuant to pursuant to NRCP 53(f)(1) and WDCR 57.3(7) hereby submits this *Request for Judicial Review of Recommendation for Order to Set Evidentiary Hearing on Motion* (“Recommendation”) served and filed on June 24, 2021. Ann hereby requests that this Court specifically review the Recommendation regarding setting an evidentiary hearing on what appear to be the legal, not factual, issues of whether Ann “(i) ... should not be estopped from contesting this Court’s previous finding of jurisdiction under NRS 136.010(1)(b) because of the ‘unclean hands’ of the Personal Representative, and if she should not be so estopped, (ii) whether this Court should exercise its discretion to revisit the issue of jurisdiction even though it is ‘law of the case’.”

Ann has already briefed in her *Motion to Revoke Letters Testamentary and to Revoke Probate for Lack of Jurisdiction Under NRS 136.010 et seq.* and her reply in support the

1 applicable law regarding this Court's ability to address subject matter jurisdiction at any time
2 regardless of the court's prior actions or whether any party has previously raised defects in subject
3 matter jurisdiction. *See also Washoe Cty. v. Otto*, 128 Nev. 424, 434-35, 282 P.3d 719, 727
4 (2012) (explaining that a district court lacks subject matter jurisdiction to consider a petition for
5 judicial review where the petitioner fails to comply with the statutory requirements for filing the
6 petition); *see also Vaile v. Eighth Judicial Dist. Court*, 118 Nev. 262, 276, 44 P.3d 506, 515-16
7 (2002) (providing that subject matter jurisdiction cannot be waived); *Basin Energy Co. v.*
8 *Howard*, 447 S.W.3d 179 (2014); *McCullough & Sons, Inc. v. City of Vadrnais-Heights*, 883
9 N.W.2d 580 (2016) ("Courts can question subject-matter jurisdiction at any time, even if the
10 parties to a case have not done so.") There is no additional evidence that could be presented at an
11 evidentiary hearing that will change the applicable law that defects in subject matter jurisdiction
12 may be addressed at any time by the court, and cannot be waived by parties. *Id.*

13 Given the Probate Commissioner's findings of fact in the Recommendation, this Court
14 must order that it lacks subject matter jurisdiction over the Decedent's estate, and has no
15 discretion to order an evidentiary hearing on the issue, notwithstanding any purported "estoppel"
16 preventing Ann from now raising such defect or the Court's prior decisions regarding the estate.
17 If this Court would entertain additional briefing on the issue pursuant to NRCP 53(f)(1), Ann is
18 prepared to provide such as necessary.

19 AFFIRMATION
20 (Pursuant to NRS 239B.030)

21 The undersigned does hereby affirm that the preceding document filed in this court does not
22 contain the social security number of any person.

23 DATED this July 7, 2021.

24 HUTCHISON & STEFFEN, PLLC

25 /s/ Russel J. Geist

26 Joseph R. Ganley (5643)

27 Todd L. Moody (5430)

28 Russel J. Geist (9030)

 Joseph J. Powell (8775)

 Attorneys for Ann Rafael-Straka

1 **CERTIFICATE OF SERVICE**

2 Pursuant to NRCP 5(b), I certify that I am an employee of HUTCHISON & STEFFEN,
3 PLLC and that on this 7th day of July, 2021, I caused the above and foregoing documents entitled
4 **REQUEST FOR JUDICIAL REVIEW OF RECOMMENDATION FOR ORDER TO SET**
5 **EVIDENTIARY HEARING ON MOTION PURSUANT TO NRCP 53(f)(1) AND WDCR**
6 **57.3(7)** to be served as follows:
7

- 8 ☐ by placing same to be deposited for mailing in the United States Mail, in a sealed
9 envelope upon which first class postage was prepaid in Las Vegas, Nevada; and/or
10 ☒ sent electronically via the Court's electronic service system; the date and time of
11 this electronic service is in place of the date and in place of deposit in the mail;
and/or

12 to the attorney(s) listed below at the address and/or facsimile number indicated below:

13 *Via Electronic Service*

14 Robert A. Dotson, Esq.
15 Justin C. Vance, Esq.
16 Dotson Law
5355 Reno Corporate Dr., Ste. 200
Reno, NV 89511
17 *Attorneys for Richard P. Schulze*

Via Electronic Service

Richard G. Hill, Esq.
Richard G. Hill, Ltd.
652 Forest St.
Reno, NV 89509
Attorneys for the Laughton Foundation

18
19
20 */s/ Amber Anderson-Reynolds*

An employee of Hutchison & Steffen, PLLC

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EXHIBIT A

HUTCHISON & STEFFEN
A PROFESSIONAL LLC

1 **2630**
2 ROBERT A. DOTSON
3 Nevada State Bar No. 5285
4 JUSTIN C. VANCE
5 Nevada State Bar No. 11306
6 DOTSON LAW
7 5355 Reno Corporate Drive, Ste 100
8 Reno, Nevada 89511
9 Tel: (775) 501-9400
10 Email: rdotson@dotsonlaw.legal
11 jvance@dotsonlaw.legal
12 Attorneys for Personal Representative

13 **IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**

14 **IN AND FOR THE COUNTY OF WASHOE**

15 IN THE MATTER OF THE ESTATE

Case No.: PR20-00415

16 OF

Dept. No.: PR

17 CLIFFORD LAUGHTON,

18 Deceased.

19 **OBJECTION/OPPOSITION TO REQUEST FOR JUDICIAL REVIEW OF**
20 **RECOMMENDATION FOR ORDER TO SET EVIDENTIARY HEARING ON MOTION**
21 **PURSUANT TO NRCP 53(F)(1) AND WDCR 57.3(7) OR, IN THE ALTERNATIVE,**
22 **MOTION TO STRIKE**

23 Richard Schulze, Personal Representative of the Estate of Clifford Laughton, by and through
24 his counsel, Dotson Law, hereby files this Objection/Opposition to Request for Judicial Review of
25 Recommendation for Order to Set Evidentiary Hearing on Motion Pursuant to NRCP 53(f)(1) and
26 WDCR 57.3(7) or, in the Alternative, Motion to Strike. This Objection is made and based upon
27 WDCR 57.3(7) and NEFCR 9(f)(2), and alternatively the Motion to Strike is made pursuant to NRCP
28 12(f). In support, Schulze presents the following Memorandum of Points and Authorities.

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

On June 24, 2021, the Probate Commissioner filed and served a Recommendation for Order to Set Evidentiary Hearing on Motion ("Recommendation"). On July 7, 2021, Ann Rafael-Straka ("Straka") filed a Petition for Judicial Review with respect to that Recommendation. (See Petition

1 for Judicial Review filed July 7, 2021.) The request purports to be made pursuant to NRCP 53(f)(1),
2 which does not apply, and WDCR 57.3(7), which Straka has failed to comply with. Accordingly,
3 for the reasons set forth herein, the Request for Judicial Review should *not* be granted or, in the
4 alternative, the request should be stricken pursuant to NRCP 12(f).

5 **II. ARGUMENT**

6 **A. Neither NRCP 53(f) nor WDCR 57.3(7) permit judicial review in this instance**
7 **and the Request is untimely.**

8 Straka purports to seek judicial review pursuant to NRCP 53(f) and WDCR 57.3. However,
9 NRCP 53 does not apply in this instant situation and the request is untimely under WDCR 57.3.

10 **1. NRCP 53(f) and its 14-day deadline does not apply to the instant Request**
11 **for Judicial Review.**

12 Straka cites NRCP 53(f)(1) with respect to her Request for Judicial Review. NRCP
13 53(f)(1)(A) allows 14 days after a master's report and recommendations is served to object to such
14 recommendations. This appears to conflict with WDCR 57.3(7), also cited by Straka, which only
15 allows 10 days.

16 What appears to be a conflict, however, is not a conflict at all, as NRCP 53 does not apply in
17 this situation. On its face, NRCP 53 applies to the Court appointment of a master to (1) perform
18 duties consented to by the parties; (2) address pretrial or posttrial matters that cannot be effectively
19 and timely addressed by an available judge; or (3) hold trial proceedings and make recommendations
20 in matters to be decided without a jury. *See* NRCP 53(a)(2). A master under NRCP 53 is appointed
21 in specific and individual matters pursuant to a court-approved stipulation, the filing of a motion, or
22 by the Court's issuance of an order to show cause. *See* NRCP 53(b). Accordingly, NRCP 53, on its
23 face, does not apply in the case of the Probate Commissioner. Rather, the Probate Commissioner is
24 specifically addressed in WDCR 57.3 and, as set forth in WDCR 57.3(7), a party has only 10 days
25 after the Probate Commissioner serves and files a Recommendation to seek judicial review. 10 days
26 is therefore the applicable time period here.

27 **2. The Request for Judicial Review is untimely under WDCR 57.3(7).**

28 As set forth above, WDCR 57.3(7) requires a Request for Judicial Review of a Probate

1 Commissioner's recommendation to be brought within 10 days after the Probate Commissioner
2 serves and files the Recommendation. The rule also specifies:

3 Failure to file a written request for judicial review within the 10-
4 day period **will result in adoption of the probate commissioner's**
5 **recommendation by the probate judge and preclusion of limited**
6 **judicial review by the probate judge.**

6 WDCR 57.3(7) (emphasis added).

7 Straka acknowledges in her Request for Judicial Review that the Recommendation at issue
8 was "served and filed on June 25, 2021." (Request for Judicial Review at 1:19-20.) Counting
9 forward 10 days lands us on Sunday, July 4, 2021. However, the period continues to run "until the
10 end of the next day that is not a Saturday, Sunday, or legal holiday." NRCP 6(a)(1)(C).¹ With July
11 4 being a Sunday and July 5 being a legal holiday, the last day to file the Request for Judicial
12 Review was Tuesday, July 6, 2021 by 11:59 p.m. See NRCP 6(a)(4). However, Straka did not file
13 her Request for Judicial Review until 4:22 p.m. on Wednesday, July 7, 2021, making it untimely and
14 therefore *not* subject to judicial review.

15 Straka may attempt to argue that she is entitled to an additional 3 days. However, the
16 Recommendation was served via electronic means through the Court's electronic filing system
17 ("EFS"), which is appropriate under NRCP 5(b)(2)(E), thus subjecting it to the Nevada Electronic
18 Filing and Conversion Rules ("NEFCR.") NEFCR 9(f)(2) provides that, with respect to the time to
19 respond to a document served through the EFS, "[a]n additional 3 days **must not be added** to the
20 time to respond." (Emphasis added.) Accordingly, there is no basis for seeking judicial review, as
21 the Request for Judicial Review was filed outside of the 10-day period of time to respond.
22 Accordingly, judicial review is not appropriate here and the Probate Commissioner's
23 Recommendation should be adopted as set forth in WDCR 57.3(7).

23 **B. Because there is no basis for the Court to grant judicial review, the Request for**
24 **Judicial Review should be stricken pursuant to NRCP 12(f).**

25 NRCP 12(f) permits the Court to strike any "immaterial, impertinent, or scandalous matter."
26 Such a request must be brought within 21 days after being served with the pleading at issue. NRCP
27 12(f)(2). The Request for Judicial Review was filed and served on July 7, 2021, thus this motion is

28 ¹ NRCP 6(a) applies in computing any time period in the "any local rule..."

1 timely. Here, given that the time to seek judicial review had clearly expired as a matter of law prior
2 to its filing, the untimely Request for Judicial Review constitutes an immaterial and/or impertinent
3 matter which should be stricken.

4 **III. CONCLUSION**

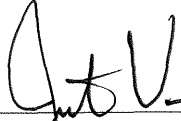
5 For the reasons set forth herein, the Court should deny Straka's Request for Judicial Review
6 as being untimely or, in the alternative, should strike the Request for Judicial Review.

7 **Affirmation Pursuant to NRS 239B.030**

8 The undersigned does hereby affirm that the preceding document does not contain the social
9 security number of any person.

10 DATED this 13th day of July, 2021.

11 DOTSON LAW

12 
13 _____

14 ROBERT A. DOTSON

15 Nevada State Bar No. 5285

16 JUSTIN C. VANCE

17 Nevada State Bar No. 11306

18 5355 Reno Corporate Drive, Ste 100

19 Reno, Nevada 89511

20 (775) 501-9400

21 Attorneys for Personal Representative

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of DOTSON LAW, and that on this date; I caused to be served a true and correct copy of the foregoing by:

- ☐ (BY MAIL) on all parties in said action, by placing a true copy thereof enclosed in a sealed envelope in a designated area for outgoing mail, addressed as set forth below. At Dotson Law, mail placed in that designated area is given the correct amount of postage and is deposited that same date in the ordinary course of business, in a United States mailbox in the City of Reno, County of Washoe, Nevada.
- ☒ By electronic service by filing the foregoing with the Clerk of Court using the E-Flex system, which will electronically mail the filing to the following individuals.
- ☐ (BY PERSONAL DELIVERY) by causing a true copy thereof to be hand delivered this date to the address(es) at the address(es) set forth below.
- ☐ (BY FACSIMILE) on the parties in said action by causing a true copy thereof to be telecopied to the number indicated after the address(es) noted below.
- ☐ Reno/Carson Messenger Service.
- ☒ By email to the email addresses below.

addressed as follows:

Joseph R. Ganley
Todd L. Moody
Russel J. Geist
Scot L. Shirley
Hutchison & Steffen, PLLC
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Las Vegas, NV 89145
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Palos Hills, IL 60465
caifanolaw@att.net

Richard G. Hill
652 Forest Street
Reno, NV 89509
Rhill@richardhilllaw.com

DATED this 13 day of July, 2021.


L. MORGAN BOGUMIL

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EXHIBIT B

HUTCHISON & STEFFEN
A PROFESSIONAL LLC

Joseph R. Ganley (5643)
Todd L. Moody (5430)
Russel J. Geist (9030)
Joseph J. Powell (8775)
HUTCHISON & STEFFEN, PLLC
10080 W. Alta Dr., Suite 200
Las Vegas, NV 89145
(702) 385-2500/Fax: (702) 385-2086
rgeist@hutchlegal.com

Attorneys for Ann Rafael-Straka

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR THE COUNTY OF WASHOE, STATE OF NEVADA

In the matter of the estate of,

CLIFFORD LAUGHTON,

Deceased.

CASE NO.: PR20-00415
DEPT. NO.: PR

**REPLY IN SUPPORT OF REQUEST FOR
JUDICIAL REVIEW OF
RECOMMENDATION FOR ORDER TO
SET EVIDENTIARY HEARING ON
MOTION PURSUANT TO NRCP 53(f)(1)
AND WDCR 57.3(7)**

Ann Rafael-Straka (“Ann”), by and through her counsel of record, and pursuant to
pursuant to NRCP 53(f)(1) and WDCR 57.3(7) hereby submits this *Reply in Support of Request
for Judicial Review of Recommendation for Order to Set Evidentiary Hearing on Motion*. Ann
specifically responds to the *Objection/Opposition to Request for Judicial Review of
Recommendation for Order to Set Evidentiary Hearing on Motion Pursuant to NRCP 53(f)(1) and
WDCR 57.3(7) or, In the Alternative, Motion to Strike* (“Opposition”), filed by Richard Schulze
(“Schulze”) on July 13, 2021.

Schulze’s Opposition, filed by and through his counsel, Dotson Law, much like many of
Schulze’s pleadings filed in this matter, absolutely and inexcusably misstates the applicable law.
In his Opposition, Schulze, an attorney licensed in Nevada, argues that Ann’s *Request for Judicial
Review of Recommendation for Order to Set Evidentiary Hearing on Motion* is untimely because

1 NRCP 53(f)(1), which grants parties 14 days to request judicial review of a hearing master's
2 recommendations, is inapplicable to the probate commissioner's report and recommendation, and
3 WDCR 57.3(7) provides parties only 10 days to request judicial review. Schulze is wrong yet
4 again.

5 Schulze appears to be relying on an outdated version of WDCR 57.3(7), which was
6 amended by the *Order Amending Rules of Practice for the Second Judicial District Court, ADKT*
7 *0544* ("Order ADKT 0544") filed with the Nevada Supreme Court on November 27, 2019.
8 Attached as **Exhibit 1** is a copy of the Order ADKT 0544 filed November 27, 2019. By Order
9 ADKT 0544, all references to 10 day deadlines in WDCR 57.3 were amended to 14 days to bring
10 the WDCR in line with the NRCP. Effective January 1, 2020, WDCR 57.3(7) was amended to
11 read:

12 **Within 14 days after the probate commissioner serves and files findings of**
13 **fact, conclusions of law and recommendations in any contested probate**
14 **matter, any party adversely affected by the recommendation may file with**
15 **the clerk of the court and serve on the other parties and the probate**
16 **commissioner, a written request for judicial review of the matter by the**
17 **probate judge.** Failure to file a written request for review within the 14-day
18 period will result in adoption of the probate commissioner's recommendation by
19 the probate judge and preclusion of limited judicial review by the probate judge.

20 Therefore, Ann's Request for Judicial Review is timely under both NRCP 53(f)(1) and WDCR
21 57.3(7).

22 Schulze provides no other grounds for his Opposition than the obviously incorrect
23 argument of untimeliness. Therefore, this Court should review the probate commissioner's report
24 and recommendation, and specifically review the Recommendation regarding setting an
25 evidentiary hearing on what appear to be the legal, not factual, issues of whether Ann "(i) ...
26 should not be estopped from contesting this Court's previous finding of jurisdiction under NRS
27 136.010(1)(b) because of the 'unclean hands' of the Personal Representative, and if she should
28 not be so estopped, (ii) whether this Court should exercise its discretion to revisit the issue of
jurisdiction even though it is 'law of the case'."

AFFIRMATION
(Pursuant to NRS 239B.030)

The undersigned does hereby affirm that the preceding document filed in this court does not
contain the social security number of any person.

DATED this July 27, 2021.

HUTCHISON & STEFFEN, PLLC

/s/ Russel J. Geist

Joseph R. Ganley (5643)

Todd L. Moody (5430)

Russel J. Geist (9030)

Joseph J. Powell (8775)

Attorneys for Ann Rafael-Straka

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LIST OF EXHIBITS

**REPLY IN SUPPORT OF REQUEST FOR JUDICIAL REVIEW OF
RECOMMENDATION FOR ORDER TO SET EVIDENTIARY HEARING ON MOTION
PURSUANT TO NRCP 53(f)(1) AND WDCR 57.3(7)**

CASE NO.: PR20-00415

Exhibit No.	DOCUMENT TITLE	# OF PAGES
1	Order ADKT 0544 filed November 27, 2019	47

1 **CERTIFICATE OF SERVICE**

2 Pursuant to NRCP 5(b), I certify that I am an employee of HUTCHISON & STEFFEN,
3 PLLC and that on this 27th day of July, 2021, I caused the above and foregoing documents
4 entitled **REPLY IN SUPPORT OF REQUEST FOR JUDICIAL REVIEW OF**
5 **RECOMMENDATION FOR ORDER TO SET EVIDENTIARY HEARING ON MOTION**
6 **PURSUANT TO NRCP 53(f)(1) AND WDCR 57.3(7)** to be served as follows:
7

- 8 ☐ by placing same to be deposited for mailing in the United States Mail, in a sealed
9 envelope upon which first class postage was prepaid in Las Vegas, Nevada; and/or
10 ☒ sent electronically via the Court's electronic service system; the date and time of
11 this electronic service is in place of the date and in place of deposit in the mail;
and/or

12 to the attorney(s) listed below at the address and/or facsimile number indicated below:

13 *Via Electronic Service*

14 Robert A. Dotson, Esq.
15 Justin C. Vance, Esq.
16 Dotson Law
5355 Reno Corporate Dr., Ste. 200
Reno, NV 89511
17 *Attorneys for Richard P. Schulze*

Via Electronic Service

Richard G. Hill, Esq.
Richard G. Hill, Ltd.
652 Forest St.
Reno, NV 89509
Attorneys for the Laughton Foundation

18
19
20 */s/ Amber Anderson-Reynolds*

An employee of Hutchison & Steffen, PLLC

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EXHIBIT 1

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

IN THE SUPREME COURT OF THE STATE OF NEVADA

IN THE MATTER OF THE
AMENDMENT OF RULES OF
PRACTICE FOR THE SECOND
JUDICIAL DISTRICT COURT OF THE
STATE OF NEVADA (COUNTY OF
WASHOE)

ADKT 0544

FILED

NOV 27 2019

ELIZABETH A. BROWN
CLERK OF SUPREME COURT
BY S. Young
DEPUTY CLERK

*ORDER AMENDING RULES OF PRACTICE FOR
THE SECOND JUDICIAL DISTRICT COURT*


WHEREAS, on June 28, 2019, Scott N. Freeman, Chief District Judge, Second Judicial District Court filed a petition in this court seeking to amend the Rules of Practice for the Second Judicial District Court. The petition was filed in response to this court's February 28, 2019, order directing district courts to submit to this court any amendments to the local district court rules that are necessary to conform their rules to the NRCP, NRAP and NEFCR that were amended by this court's order on December 31, 2018, and effective on March 1, 2019; accordingly,


IT IS HEREBY ORDERED that the proposed Rules of Practice for the Second Judicial District Court shall be adopted and shall read as set forth in Exhibit A.

IT IS FURTHER ORDERED that the adoption of the proposed Rules of Practice for the Second Judicial District Court shall be effective on January 1, 2020. The clerk of this court shall cause a notice of entry of this order to be published in the official publication of the State Bar of Nevada. Publication of this order shall be accomplished by the clerk disseminating

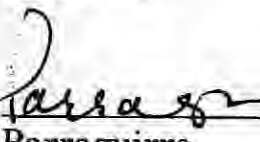
copies of this order to all subscribers of the advance sheets of the Nevada Reports and all persons and agencies listed in NRS 2.345, and to the executive director of the State Bar of Nevada. The certificate of the clerk of this court as to the accomplishment of the above-described publication of notice of entry and dissemination of this order shall be conclusive evidence of the adoption and publication of the foregoing rule amendment.

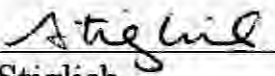
Dated this 27th day of November, 2019.


Gibbons, C.J.

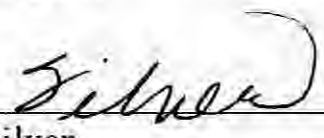

Pickering, J.


Hardesty, J.


Parraguirre, J.


Stiglich, J.


Cadish, J.


Silver, J.

cc: All District Court Judges
Clark County Bar Association
Washoe County Bar Association
First Judicial District Bar Association
Paul A. Matteoni, President, State Bar of Nevada
Kimberly Farmer, Executive Director, State Bar of Nevada
Administrative Office of the Courts

EXHIBIT A

AMENDMENT TO RULES 1, 2, 4, 5, 9, 10, 11, 12, 13, 17, 18, 19, 24, 25, 30, 31, 32, 33, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 48, and 57.3 OF THE RULES OF PRACTICE FOR THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA

Rule 1. Applicability and citation of rules.

1. These rules shall be known and may be cited as Washoe District Court Rules or WDCR. All domestic relations and juvenile rules cited in Rules ~~[27-57,]~~ 27-57 of these rules shall be known and may be cited as the Washoe District Family Court Rules or WDFCR.

2. These rules do not apply to the following matters:

(a) Cases submitted on agreed statements of fact.

(b) Applications for judgments by default, except as provided in Rules 26 and 48.

(c) Criminal matters, except as otherwise expressly stated.

(d) Motions under N.R.C.P. 65.

3. ~~[Whenever the judge who will try the case, upon motion of a party, or upon the judge's own motion, determines that a case should not follow regular procedure, the judge may make such orders as deemed advisable for all subsequent proceedings.]~~ The judge of the department in which a case is pending may sua sponte, or upon motion of a party, exempt all or any portion of the case from these rules, in whole or part, upon a showing of good cause.

4. Unless a specific provision of the Washoe District Family Court Rules provides otherwise, these rules shall apply to all cases within the jurisdiction of the family division of the district court.

Rule 2. Organization of the court; chief judge; court administrator.

1. All civil and criminal cases shall be randomly ~~assigned.~~ assigned except as otherwise provided by these rules.

2. The district judges shall elect from among the general jurisdiction division and family court division judges a chief judge for a term of 2 years. The chief judge is the presiding judge as referred to in NRS 3.025 and the chief judge referred to in Supreme Court Rule 8.

3. Election of the chief judge shall be by secret ballot at the regular December meeting of judges. Nomination shall likewise be made and closed at the November meeting. The term of the chief judge shall commence the first Monday of January in even years. Election shall be by majority vote. The chief judge may be removed by motion made at any regular meeting and a two-thirds vote of the judges at the next regular meeting.

4. The chief judge may be, or may appoint, the presiding judge of the division of his or her jurisdiction and shall appoint a presiding judge of the remaining division. The presiding judge or judges shall serve at the pleasure of the chief judge and shall perform such duties as are delegated by the chief judge.

5. The chief judge shall supervise the court administrator and presiding judge(s). The chief judge shall appoint committees of the court. The chief judge shall preside over all judges meetings and shall speak for the court on matters therein approved by the judges. The chief judge shall represent the court in its relations with other agencies of the government, the bar, the general public and the news media.

6. The chief judge shall supervise caseload management, assign overflow trials and other overflow matters from the other judges and shall

assist the other judges who request assistance in disposition of their caseload within the court by obtaining senior judges or other sitting judges in other districts within the state. The chief judge shall be the arbitrator in resolving conflicts between judges on calendaring and case assignment and procedural policy disputes. The ~~[caseload]~~ caseloads of the chief judge and the presiding judge of the family division shall be reduced by 20 percent. The chief judge shall be responsible for compilation and distribution of statistics of the court.

7. The chief judge may assign one or more district judges to act temporarily as a judge or judges of the family court, if the caseload of the family court so requires or if for any reason a judge of the family court is unable to act.

8. The district court administrator shall be selected by the court and is responsible for the administration of the rules, policies and directives of the district court. In addition to the duties prescribed below, the district court administrator shall be denominated the clerk of the court and shall perform all the statutory and other duties assigned to that office. Subject to the direction of the chief judge acting on behalf of the district judges, the district court administrator shall:

(a) Supervise the assistant court administrator, family division administrator, jury commissioner and other officers and employees of or serving the district court, except for the staff of each judge;

(b) Supervise the office of the court clerk and the processing of all pleadings and papers related to court business and the court clerks;

(c) Direct the implementation and operation of a court interpreter program;

(d) Plan, organize and direct the budgetary, and fiscal operations of the district court;

(e) Plan for, organize, hire, train, and supervise all personnel deemed necessary by the district court to adequately conduct the operations of the district court, except for the staff of each judge;

(f) Monitor a system of internal controls which includes payroll, purchasing, accounts payable, accounts receivable, information systems and inventory along with all other fiscal aspects of the district court, including adjudication, administration, family mediation services, and jury services;

(g) Expedite movement of the court calendars and coordinate and monitor automated case management systems including, but not limited to, the development of integrated data entry systems;

(h) Supervise preparation and submission of reports and activities of the court to state, regional and local authorities as required;

(i) Determine statistics to be gathered for the statewide uniform system of judicial records and manage the flow of information through and about the court;

(j) Direct research, evaluation and monitoring and propose new and revised policies as necessary to improve court operations;

(k) Coordinate the calendars and activities of judges visiting from other jurisdictions and of hearing officers or masters assigned for specific purposes;

(l) Represent the court on regional, statewide, judicial and justice system coordinating councils, conferences, conventions and committees as assigned by the chief judge;

(m) Handle public information and liaison with other government executive, legislative and judicial agencies in the community as assigned by the chief judge;

(n) Perform such other functions and duties as may be assigned by the chief judge.

Rule 4. Setting of cases.

1. All matters shall be set ~~[in the Office of the Administrative Assistants]~~ by the judicial assistant in the department where the case is filed. The office shall be open for that purpose from 9:00 a.m. to 12:00 noon, Tuesday through Thursday. All other calendaring shall be done by appointment. If any department wishes to deviate from this procedure it shall be responsible for setting its own calendar in a manner and at a time specified. The times and procedures for such calendaring shall be advertised by each department.

2. If any case may not be heard because of another case or the unavailability of the judge, it shall be the primary responsibility of that judge or the ~~[administrative]~~ judicial assistant to arrange a transfer to another department with the agreement of the new department. In the event that the department cannot successfully transfer the ~~[case]~~ case, the matter shall be referred to the chief judge for resolution.

3. In every civil case, except in cases within the jurisdiction of the family division, within 30 days after the last answer is filed, the parties must obtain a date for trial unless the judge waives this requirement for good cause shown. If the parties fail to obtain a trial date, the court may set the case for trial at its discretion.

4. All cases shall be set for trial within 12 months of the date that the setting occurs, unless ordered otherwise by the trial court.

5. Contested matters shall be set by each court department on dates agreeable to counsel. A ~~[10-day]~~ 14-day notice to appear and set a time for trial may be given by any party upon certification that the case is at issue. At the time fixed in the notice, with showing of service upon all parties, a court department shall set the case for trial at a time certain. If fewer than all parties

appear before a court department on an application for setting, and file with the court department a conformed copy of written notice to appear for setting at that hour and day, a court department shall set the matter to be heard on a date satisfactory to the counsel present. Time shall be computed as provided in N.R.C.P. 6. An individual court department may dispense with these procedures if necessary. Cases can be set via telephone conference or any other convenient method.

6. If the parties cannot agree on a trial date, a court department shall set the case for trial on the first available date in accordance with the judge's individual calendar.

7. All disputes concerning calendar settings shall be resolved by each court department in accordance with procedures established by that department.

8. Matters set in each department shall be heard in the order set unless otherwise ordered by the trial judge. Matters which cannot be heard in the department in which set because of a conflict with a prior matter, shall be assigned to another department, if one is available, by the affected department, to be heard at the same time as originally set. If a matter cannot be heard at the time originally set because of conflicts in all other departments, the matter shall be continued by order of the affected department. Thereafter, such matters shall be entitled to priority for resetting in accordance with the judge's individual calendar. Each court department shall determine the maximum allowed time that a matter can be set out on the calendar, subject to the 12-month setting rule.

9. All applications for setting shall be made on a printed form designated "Application for Setting," copies of which shall be available at each court department, unless this requirement is waived by the department. It shall be

the responsibility of the applicant to produce for the court department one original and the necessary copies of the "Application for Setting" form on which the court department shall endorse the date and time of such setting. The applicant shall file the original and serve a copy upon counsel for each other party.

10. If there are multiple settings, each court department shall endorse on the application the priority of the case in numerical order.

11. ~~[Once]~~ Except in cases within the jurisdiction of the family division, once set, a case may be removed from the calendar only with the consent of the trial judge or the chief judge, if the trial judge is unavailable. Cases within the family division, once set, may be removed from the calendar only with the consent of the trial judge or, if the trial judge is unavailable, by the chief judge or presiding judge of the family division.

~~12. [When a trial judge or the chief judge signs an order in chambers setting forth a calendar date, a copy of said order shall be delivered by counsel to the individual responsible for calendaring cases in each court department, together with any "Application for Setting" form.~~

~~13.]~~ Effective January 2, 1992, the judge who determines that a certain criminal defendant is incompetent shall be responsible for impanelling the Sanity Commission.

~~[14.]~~ 13. Effective January 2, 1992, the District Attorney's Office shall be responsible for contacting each court department in succession to find someone willing to schedule the Grand Jury hearings.

~~[15.]~~ 14. Any questions arising under this Rule 4 ~~[which]~~ that cannot be resolved by the individual court department shall be referred to the chief judge for decision.

~~[16.]~~ 15. Each district judge shall be willing and prepared to take overflow work from another department as each judge's calendar permits.

Rule 5. Trial statements.

1. ~~[Five-calendar]~~ Seven days before the trial, each party shall serve and file a trial statement which shall set forth the following matters in the following order:

(a) A concise statement of the claimed facts supporting the party's claims or defenses. Such facts shall be organized by listing each essential element of the claim or defense and separately stating the facts in support of each such element.

(b) A statement of admitted or undisputed facts.

(c) A statement of issues of law supported by a memorandum of authorities.

(d) In non-jury cases, a list of summaries of schedules referring to attached, itemized exhibits concerning any subject matter which involves accounting, computation, chronology, or similar data reasonably calling for orderly itemization, e.g., wages, income, expenses, inventories, business operations, tax computations, disability periods, property losses, itemizations of claimed losses or injuries, and the data and reasons upon which an expert bases his opinion (not the opinion itself), which clearly reflect the claims, defenses, or evidence of the party, together with references to the records or other sources upon which such summaries or schedules are based.

(e) The names and addresses of all witnesses, except impeaching witnesses.

(f) Any other appropriate comment, suggestion, or information for the assistance of the court in the trial of the case.

(g) A list of special questions requested to be propounded to prospective jurors.

(h) Certification by counsel that discovery has been completed, unless late discovery has been allowed by order of the court.

(i) Certification by counsel that, prior to the filing of the trial statement, they have personally met and conferred in good faith to resolve the case by settlement.

2. All motions in limine to exclude or admit evidence must be in writing and attached to the trial statement. The court may refuse to consider any oral motion in limine and any motion in limine [~~which~~] that is not filed with the trial statement.

Rule 9. Preparation of findings, conclusions, and judgment. In a non-jury case, where a judge directs an attorney to prepare findings of fact, conclusions of law, and judgment, the attorney shall serve a copy of the proposed document upon counsel for all parties who have appeared at the trial and are affected by the judgment. [~~Five~~] Seven days after service counsel shall submit the same to the court for signature together with proof of such service.

Rule 10. Form of [~~pleadings.~~] pleadings, motions, and other papers.

1. Format.

(a) General.

(1) All documents presented for filing must be:

- (i) Signed with the filer's signature;
- (ii) In English;
- (iii) On white paper of standard quality;

- (iv) 8 1/2 x 11 inches in size;
- (v) Lined with numbers in the left margin or on legal pleading paper;
- (vi) Double spaced, except that descriptions of real property may be single spaced; and
- (vii) Numbered consecutively at the bottom.

(2) All typed documents must be in a font size that is of 12 points.

(3) All handwritten documents must be:

- (i) Clearly legible and neat; and
- (ii) Written on one side of the paper only.

(b) Electronically Filed [~~Document Format.~~] Documents.

(1) The Second Judicial District Court has established and approves the use of an electronic filing system, consistent with the technical standards established by the Nevada Electronic Filing and Conversion Rules.

(2) All pleadings and papers presented for electronic filing must be:

- (i) In portrait style;
- (ii) Converted to a PDF; and
- (iii) Rotated right-side up.

~~[(2)]~~ (3) Some exhibits may be in landscape style.

(c) Paper Filed Document Format.

(1) All documents presented for paper filing must be flat and stapled.

2. Multiple Case Numbers.

(a) A separate pleading or document must be filed for each individual case.

(b) Pleadings or documents must not be filed with multiple case numbers.

3. Motion, Opposition, Reply.

(a) Any motion, opposition, reply, etc., must be filed as a separate document unless it is pleaded in the alternative.

4. Citations.

(a) **Supreme Court of the State of Nevada**—The citation to the *Nevada Reports* must be given together with the citation to *West's Pacific Reporter* and the year of the decision.

(b) **Nevada Court of Appeals**—The citation to the *Nevada Reports* must be given together with the citation to *West's Pacific Reporter* and the year of the decision.

(c) **Appellate Court of Any Other State**—The citation to *West's Regional Reporter System* must be given together with the state and year of the decision.

(d) **United States Supreme Court**—The citation to the *United States Reports* and year of decision must be given.

(e) **All Court Citations**—When a decision of the court of appeals, or of a district court, or other court of the United States has been reported in the *West's Federal Reporter System*, that citation, court, and year of decision must be given.

5. Signatures.

(a) Paper.

(1) Original handwritten signatures on paper filed documents are required.

(b) Electronic Signatures.

(1) ~~[Electronic signatures (e.g., /s/) are permissible on electronically filed documents submitted from the e-filer's E-Flex account.]~~ The Second Judicial District Court has approved the use of electronic signatures consistent with the technical standards established by the Nevada Electronic Filing and Conversion Rules. (See Nevada Electronic Filing and Conversion ~~[Rules,]~~ Rule 11.)

(2) Electronically filed documents requiring signatures of opposing parties, such as a stipulation, must contain the handwritten signature of all parties on a printed form of the document. The printed document bearing the original signatures must be scanned and electronically filed in a format that accurately reproduces the original signatures and document contents. ~~[(Rule 11(e), Nevada)]~~ (Nevada Electronic Filing and Conversion [Rules,]) Rule 11(c.)

(3) In criminal cases, electronic signatures are acceptable on filed documents requiring the signatures of all parties, such as a stipulation.

6. Corrections.

(a) No original pleading or paper may be amended by using tape, making erasures, or attaching slips, except by leave of court.

(b) Interlineations and striking through are acceptable if initialed by the filer.

7. Required Affirmation.

(a) An Affirmation must be attached as the last page of each document presented for filing and before any attached exhibits. No such Affirmation shall be included in proposed orders submitted to the court. NRS 239B.030(4).

(b) The Affirmation may also be the last sentence before the signature line on the document.

(c) The Affirmation must state that the document does not contain personal information.

(d) If the document does contain personal information, the Affirmation must indicate the specific state or federal law requiring the inclusion of said information.

(e) The Affirmation form is available at the Second Judicial District Court Filing Office and on the court's website at www.washoecourts.com.

8. Redacted Information.

(a) Except as otherwise provided by law, the following information must be redacted if it is in combination with a person's first name or first initial and last name:

(1) A social security number;

(2) A driver's license number, driver authorization card number, or identification card number;

(3) An account number, credit card number or debit card number in combination with a security or access code or password that permits access to the account;

(4) A user name, unique identifier or electronic mail address, in combination with any required access code or security question and answer; and

(5) A medical identification number or health insurance identification number.

(b) If any of these numbers are needed for identification purposes, all but the last four digits of that number must be redacted from the pleadings and documents. The primary duty for redaction rests with the filing party. See NRS 603A.040.

(c) A court may sanction a filer for disclosing personal information in violation of NRS 239B.030 or the Nevada Rules for Sealing and Redacting Court Records.

9. Exhibits.

(a) Exhibits, including accountings and financial reports, shall not be included in the body of any pleading or document.

(b) All exhibits attached to pleadings or papers must be 8 1/2 x 11 inches in size and must be labeled numerically, i.e., Exhibit 1, 2, 3, etc.

(c) An Index of Exhibits must be included before all attached exhibits.

(1) The Index of Exhibits must indicate each exhibit number, a description of each exhibit, and the length of each exhibit (number of pages).

(d) All exhibits must be clearly marked with the exhibit number on the divider page.

(e) Original documents must be retained for introduction as exhibits at the time of a hearing or at the time of trial rather than attached to pleadings.

(f) Exhibits that are smaller must be attached to a blank sheet of paper 8 1/2 x 11 inches in size, with invisible adhesive tape on all sides.

(g) Exhibits that are larger than 8 1/2 x 11 inches must be reduced to 8 1/2 x 11 inches.

(h) Staples must not be used to affix an exhibit to a sheet of paper.

(i) Copies of exhibits must be clearly legible and not unnecessarily voluminous.

(j) Exhibits ~~[which]~~ that are electronically filed must be submitted as a separate PDF document and may not be filed in batches or as one single document.

10. Filing ~~[Rejections.]~~ Review.

(a) ~~[Except in criminal cases and writs arising from criminal cases, Filing Office personnel shall refuse to file any document or pleading under the following circumstances or as otherwise provided by District Court rule, statute, or order of the court.]~~ After a document is submitted, filed, and served, the clerk may review the document to determine whether it is a nonconforming document.

(b) On motion or on its own order to show cause, the court may strike a nonconforming document.

(c) The Second Judicial District Court has authorized the clerk to strike the following nonconforming documents:

(1) ~~[The]~~ A document that does not have a District Court case number;

(2) ~~[The]~~ A document that does not have an Affirmation; ~~[or]~~

(3) ~~[The]~~ A document ~~[is not signed.]~~ that is filed in the wrong case;

(4) An unsigned paper filed document; or

(5) An unsigned order that is not identified as a proposed order.

(d) The Second Judicial District Court has authorized the clerk to strike and seal confidential documents filed into the wrong case.

(e) If the court or clerk strikes a document, the filer and all other parties on the case must be notified.

11. Pleading Format. The following information shall appear upon the **first page** of every paper presented for filing:

(a) Filer's Information.

(1) Information ~~[(1)-(4)]~~ (i)-(iv) shall be set on the far left side of the page, beginning at line 1, and shall be single spaced. The space to the far right of the pleading shall be reserved for the filing marks of the clerk.

(i) The document code (the list of document codes is available at the Second Judicial District Court Filing Office and on the District Court's website at www.washoecourts.com);

(ii) The name of the party filing the document;

(iii) The filer's Nevada State Bar identification number, if appropriate; and

(iv) The **[address]** mailing address, email address, and telephone number of the attorney and of any associated attorney appearing for the party filing the paper; whether such attorney appears for the plaintiff, defendant, or other party; or the name, address, and telephone number of a party appearing in proper person.

(b) Court Title.

(1) The title of the court shall appear at the center of the page, line 6.

(c) Name of Parties.

(1) The name of the parties to the action or proceeding shall appear in the space to the far left at line 9.

(d) Case and Department Number.

(1) The case number and department number shall appear to the right of the center at lines 11 and 12.

(e) Title of Pleading.

(1) The title of the pleading, motion, or other document must be typed or printed on the page and centered below the name of the parties to the action or proceeding. The title must be sufficient in description to apprise the respondent and clerk of the nature of the document filed, or the relief sought, e.g., Defendant's Motion for Summary Judgment against Plaintiff John Doe; Plaintiff's Motion to Compel Answers to Interrogatories.

CODE
ATTORNEY NAME
BAR NUMBER
MAILING ADDRESS
EMAIL ADDRESS
CITY, STATE, ZIP CODE
PHONE NUMBER
ATTORNEY FOR:

This space is intentionally left blank for the Court issued file stamp. A 2" margin is required.

IN THE SECOND JUDICIAL DISTRICT COURT OF
THE STATE OF NEVADA IN AND FOR THE
COUNTY OF WASHOE

JOHN DOE,

Plaintiff,

vs.

RICHARD ROE,

Defendant.

Case No. CV99-00000

Dept. No.

MOTION, ORDER, REPLY
JUDGMENT, ETC.

Sample Pleading

At least a 1" margin should remain below. Page numbers are required.

Rule 11. Extension or shortening of time.

1. All motions for extensions of time shall be made upon **[5]** 7 days' notice to all counsel. Such motion shall be made to the judge who is to try the

case, or, if the judge is not in the courthouse during regular judicial hours, to a judge on the same floor or, if the case is within the jurisdiction of the family division, a judge within the family division, who shall set or cause the motion to be set for early hearing. (For the sake of this rule Department 10 is deemed to be on the second floor.)

2. Except as provided in this subsection, no ex parte application for extension of time will be granted. Upon presentation of a motion for extension, if a satisfactory showing is made to the judge that a good faith effort has been made to notify opposing counsel of the motion, and the judge finds good cause therefor, the judge may order ex parte a temporary extension pending a determination of the motion.

3. For good cause shown, the judge who is to try the case, or if the judge is not in the courthouse during regular judicial hours, the chief ~~[judge,]~~ judge or, if the case is within the jurisdiction of the family division, the presiding judge of the family division, may make an ex parte order shortening time upon a satisfactory showing to the judge that a good faith effort has been made to notify the opposing counsel of the motion.

4. ~~[Extensions]~~ Stipulated extensions of time to answer or otherwise respond to a complaint ~~[shall not exceed 40 days without court approval.]~~ of 40 days or less are automatically deemed approved. Extensions of time in excess of 40 days must be approved by the court. The trial judge shall determine the appropriate sanction if this rule is violated.

5. A court must not extend the time to act under N.R.C.P. 50(b) and (d), 52(b), 59(b), (d), and (e), and 60(c)(1), and must not extend the time after it has expired under N.R.C.P. 54(d)(2).

Rule 12. Motions; points and authorities and decisions.

1. Except as provided in Rule 1, all motions shall be accompanied by points and authorities and any affidavits relied upon. Motions for support or allowances and opposition thereto in divorce and separate maintenance actions shall include disclosure of the financial condition of the respective parties upon a form approved by the court pursuant to Rule 40 of these rules.

2. The responding party shall file and serve upon all parties, within ~~[10]~~ 14 days after service of a motion, answering points and authorities and counter-affidavits.

3. The District Attorney's Office shall have 21 days to respond to any motions to seal criminal records pursuant to NRS 179.245.

4. The moving party may serve and file reply points and authorities within ~~[5]~~ 7 days after service of the answering points and authorities. Upon the expiration of the ~~[5-day]~~ 7-day period, either party may notify the filing office to submit the matter for decision by filing and serving all parties with a written request for submission of the motion on a form supplied by the filing office. The original of the submit form shall be delivered to the filing office. Proof of service shall be attached to the motion and response.

5. Decision shall be rendered without oral argument unless oral argument is ordered by the court, in which event the individual court department shall set a date and time for hearing.

6. All discovery motions shall include the certificate of moving counsel certifying that after consultation with opposing counsel, they have been unable to resolve the matter.

7. Except by leave of the court, all motions for summary judgment must be submitted to the court pursuant to subsection 4 of this rule at least 30 days prior to the date the case is set for trial.

8. The rehearing of motions must be done in conformity with D.C.R. 13, Section 7. A party seeking reconsideration of a ruling of the court, other than an order which may be addressed by motion pursuant to N.R.C.P. 50(b), 52(b), 59 or 60, must file a motion for such relief within ~~[10]~~ 14 days after service of written notice of entry of the order or judgment, unless the time is shortened or enlarged by order. A motion for rehearing or reconsideration must be served, noticed, filed, and heard as is any other motion. A motion for rehearing does not toll the 30-day period for filing a notice of appeal from a final order or judgment.

9. If a motion for rehearing is granted, the court may make a final disposition of the cause without reargument, or may restore it to the calendar for reargument or resubmission, or may make such other orders as are deemed appropriate under the circumstances of the particular case.

10. Drop box filing.

(a) Papers eligible for filing. All papers and pleadings, including motions, oppositions and replies may be filed in the drop box located outside the Court Clerk's Office, with the exception of filings which require the payment of filing fees. Filings ~~[which]~~ that require the payment of filing fees must be made directly with the Court Clerk's Office.

(b) Procedure. Papers may be filed in the drop box during all hours the courthouse is open. Papers must be date and time stamped prior to being placed in the drop box. Drop box filings shall be deemed filed as of the date and time noted on the paper or pleading. If a drop box filing has not been date and time stamped, the paper or pleading shall be deemed filed at the time it is date and time stamped by the Court Clerk.

Rule 13. Continuances.

1. No continuance of a trial in a civil or criminal case shall be granted except for good cause. A motion or stipulation for continuance shall state the reason therefor and whether or not any previous request for continuance had been either sought or granted. The motion or stipulation must certify that the party or parties have been advised that a motion or stipulation for continuance is to be submitted in their behalf and must state any objection the parties may have thereto.

2. If a continuance of any trial is granted, the parties must appear in the individual court department within ~~[5]~~ 7 days and reset the case, unless the court waives this requirement. Failure to follow this rule may result in the court setting the trial date.

Rule 17. Ex parte orders.

1. No proposed ex parte order, except an order to allow an indigent to file a complaint without payment of fees, shall be presented to a judge for signing before the case has been filed with the filing office, given a case number, and assigned to a department.

2. Proposed ex parte orders, orders based upon written stipulation of counsel, and orders in uncontested matters shall be presented only to the judge of the department in which the case is pending, unless such judge designates another judge to consider the order. If there is no designation, and the judge of the department in which the case is pending is not in the courthouse during regular judicial hours, a proposed ex parte order may be presented to a judge on the same floor or to the chief ~~[judge.]~~ judge or, if the case is within the jurisdiction of the family division, to a judge of the family division.

Rule 18. ~~[Papers which do not comply with rules. Except in criminal cases and writs arising from criminal cases, filing office personnel shall refuse to file any document or pleading which is not properly signed by all persons, or which does not comply with these rules, Nevada Rules of Civil Procedure, the District Court Rules, or applicable statutes.] Reserved.~~

Rule 19. Appeals from municipal and justice courts.

1. All appeals from the municipal or justice courts in criminal cases shall be set for trial or hearing within 60 days of the date of application for setting. A setting beyond 60 days may be made only if approved in writing by the trial judge or the chief judge. If a trial setting is continued by order of the court, the case shall be reset within 60 days of the date of the order for continuance.

2. If multiple settings for appeal trials in any one court department exceed the capacity of that department, settings shall be made in the designated department scheduled to handle the overflow. If that court's calendar becomes full, assignment shall be made to any other available department.

3. Appeals in criminal cases shall be set for trial on Thursdays and Fridays, unless the trial judge or the chief judge grants permission to make such settings on other judicial days.

4. In civil appeals from the justice court, appellant shall file within 30 days after the filing of a notice of appeal a written brief containing a statement of the errors committed in the justice court with accompanying authorities which shall not exceed 5 pages. Within ~~[20]~~ 21 days after the filing and service of appellant's brief, respondent shall file a written answering brief which shall not exceed 5 pages.

Rule 24. Masters.

1. The Second Judicial District Court has approved the automatic referral to the discovery ~~[master]~~ commissioner all discovery ~~[proceedings pursuant to N.R.C.P. 16, 16.1 and 16.2.]~~ proceedings.

(a) All domestic matters referred to masters shall comply with Rule 31 of these rules.

2. A district judge may refer any matter to a master for determination unless prohibited by law. Such referral may be by application of a party to the action or on the judge's own initiative.

3. Except as otherwise provided herein, proceedings before the master shall be in accordance with the provisions of N.R.C.P. 53 and any applicable statutes.

4. The master may request a district judge to make an immediate determination of appropriate sanctions for contemptuous behavior, issue a bench warrant, quash a warrant, or release persons arrested thereon.

5. Within ~~[10]~~ 14 days after the evidence presented in a matter is closed, the master shall file with the district judge written findings of fact and recommendations, which shall also be served upon each party. ~~[Service as provided in this section shall be by personal delivery to each party or the party's attorney or by mail to the last known address of such person or to the address designated by such person appearing at the hearing before the master, or to the party's attorney, if any has appeared as an attorney of record.]~~

6. A party shall have ~~[10]~~ 14 days from service of written findings of fact and recommendations within which to file and serve an ~~[objection.]~~ objection, or a motion to adopt or modify the findings of fact and recommendations. A

response to an objection or motion shall be filed and served within 7 days of service of the objection or motion. When an objection or motion has been filed, the district judge shall have discretion to determine the manner in which the master's recommendation will be reviewed.

7. Upon the request of a party or upon the district judge's initiative, the judge may enforce the provisions of the master's recommendation pending determination on appeal.

8. The master may direct counsel for a party to prepare the master's report, including findings and recommendations. If counsel is so directed, the report must be delivered to the master no later than ~~[10]~~ 14 judicial days after the hearing or notice of decision.

9. Any duly appointed master may perform the duties of any other duly appointed master as the administration of justice may require.

10. All proceedings before a master shall be conducted with appropriate decorum and procedure to ~~[insure]~~ ensure respect and obedience to the court and its rules.

Rule 25. Special masters.

1. A judge may order the appointment from among the members of the bar of this court a special master for the purpose of settlement of cases or for any other proper purpose determined by the judge to whom a particular case has been assigned.

2. ~~[The]~~ Subject to approval by the court, the parties to a civil action may stipulate in writing to, or the judge to whom the case has been assigned may order, the appointment of a special master to report upon particular issues in the case, including the holding of settlement conferences pursuant to Rule 6 of these rules. The stipulation may suggest the special master, in which case

the judge may appoint the person named. A special master shall not be appointed to any particular case unless the master consents to such appointment.

3. The compensation of members of the panel of special masters shall be fixed by the court in its discretion, including any necessary disbursements, unless all interested parties consent to a rate of compensation or the special master consents to serve without compensation. Such compensation and disbursements shall be shared equally by the parties and taxed as costs, unless the court directs otherwise.

Rule 30. Judges within the family division.

1. Presiding judge.

(a) The chief judge of the district shall appoint a presiding judge over the family division of the district court.

(b) The presiding judge of the family court shall report to the chief judge of the district court in cases requiring referrals under Rules ~~[2.6 and 2.7.]~~ 2(6) and 2(7).

(c) The two-year term of the presiding judge shall coincide with the term of the chief judge and the appointment of the presiding judge of the family division shall be made effective the first Monday of January in even years.

(d) The family court judges may select one family court judge and recommend to the chief judge that the judge selected be appointed as presiding judge of the family court division. This selection shall be made during the December meeting of the district court judges and after the election of the chief judge.

(e) The chief judge, with the recommendation of the presiding judge of the family court, shall designate one district judge of the family court to

assume administrative responsibility over each of the following case categories:

(1) Orders for Protection Against Domestic Violence (NRS Chapter 33);

(2) Juvenile Delinquency [~~(NRS Chapter 62);~~] (NRS Title 5);

(3) Child Support Enforcement/UIFSA [~~(NRS Chapter 130);~~] (NRS Chapters 130, 425, and 435);

(4) Juvenile Dependency (NRS Chapter 432B); and

(5) Mental Health/Developmental Disability Involuntary Civil Commitment (NRS Chapters 433A and 435).

(f) For purposes of this rule, the term “administrative responsibility” means:

(1) Presiding over objections [~~to~~] or motions to adopt or modify masters’ recommendations in cases that are not otherwise assigned to another district judge;

(2) Assuming primary responsibility for court policy involving the designated case categories and the related area of law; and

(3) Representing the court on community policy-making boards or committees (with interested court masters).

(g) The chief judge, with the recommendation of the presiding judge of the family court, shall designate one district judge of the family court to serve on each of the following committees and any other board or committee which requires a family court representative:

(1) Forms and Procedures Committee;

(2) Self-Help Center Advisory Board;

(3) Washoe County Access to Justice Foundation;

(4) Court Technology Advisory Committee;

- (5) Court Facilities Committee;
- (6) Employee Relations Committee;
- (7) Reclassification Committee;
- (8) Bailiff Security Committee;
- (9) Family Court Bench Bar Committee; and
- (10) Others as deemed appropriate.

2. Powers. The presiding judge shall have all the powers and responsibilities set forth in NRS 3.025, subject to the powers and responsibilities of the chief judge under Rule ~~[2.2 and 2.3.]~~ 2(2) and 2(3).

Rule 31. Masters within the family division.

1. Rule 24 together with the following rules shall apply to the utilization of masters in all matters falling within the jurisdiction of the family division.

2. The following proceedings ~~[shall]~~ may be referred automatically to a master:

(a) Juvenile court proceedings pursuant to NRS ~~[Chapters 62]~~ Title 5 and Chapter 432B.

(b) Orders for protection against domestic violence pursuant to NRS Chapter 33.

(c) Support enforcement proceedings pursuant to NRS Chapters 425 and 435.

(d) ~~[URESA proceedings]~~ Proceedings pursuant to NRS 3.405.

~~[(e) Paternity proceedings pursuant to NRS Chapter 126.]~~

3. Whenever possible, a case shall be assigned to one master and shall remain with that master.

4. In extraordinary circumstances, when an emergency hearing is required, the judge assigned to a case may refer pre- and post-trial motions in

divorce, separate maintenance, and annulment actions to a master for hearing subject to the master's calendar.

5. In cases involving orders for protection against domestic violence, the recommendation of the master shall become effective upon notice to the parties, unless stayed pending review by the judge. A stay of the master's recommendation may be granted at the request of any party to the action or upon the initiative of the court.

6. Except in cases involving orders for protection against domestic violence, a master's recommendation shall not become effective until the time for objection has run and the recommendation has been confirmed by assigned judge, except as otherwise provided in Rule ~~[32-1(f)]~~ 32(1)(f).

7. An attorney has an absolute right to disqualify a part-time master when the attorney and the part-time master are opposing counsel in any case.

Rule 32. Review of master's decision within the family division.

1. ~~[All]~~ Unless otherwise ordered by the court, all proceedings before the master shall be reported by court reporter or recorded by audio tape or other means.

(a) When an objection ~~[to]~~ or motion to adopt or modify a master's recommendation is filed, the court shall have the discretion to determine the manner in which the master's recommendation will be reviewed.

(b) A hearing on an objection ~~[to]~~ or motion to adopt or modify a master's recommendation shall be in the form of a review of the record with oral argument, unless otherwise expressly ordered by the court. In extraordinary circumstances the court may grant a de novo trial.

(c) In all cases except juvenile matters, if a party objects ~~[to]~~ or motions to adopt or modify the master's recommendation, in whole or in part, the

objection or motion to adopt or modify shall be filed within ~~[10]~~ 14 days after service of written findings of fact and recommendation.

(d) In juvenile matters, objection ~~[to]~~ or motions to adopt or modify the master's recommendation shall be filed within ~~[5]~~ 7 days after service of written findings of fact and recommendation.

(e) The objection or motion to adopt or modify shall briefly state the primary issues for review.

(f) Upon request of a party or upon the court's initiative, the judge may enforce the provisions of the master's recommendation pending determination on review.

2. ~~[The objection shall contain a notice requiring any opposing party to appear before the appropriate court department to set the objection for hearing in conformance with Rule 44.]~~

~~(a) The~~ A review hearing must be held within 30 days after the date the objection or motion to adopt or modify is filed, unless otherwise ordered by the court.

3. The presiding judge shall assign one or more judges to preside over the review of objections ~~[to]~~ or motions to adopt or modify master's recommendations in specific subject areas. Review of objections ~~[to]~~ or motions to adopt or modify master's recommendations shall be heard by the judge assigned to the case.

Rule 33. Motions for certification pursuant to ~~[NRS 62.080.]~~ NRS 62B.390.

1. A motion to certify a child to be proceeded against as an adult and for investigation pursuant to NRS ~~[62.080]~~ 62B.390 shall be filed and served no later than 30 days after a petition is filed pursuant to NRS ~~[62.128.]~~ 62C.110.

Hearing on such motion shall be held within 35 days after entry of an order for investigation.

(a) The Juvenile Probation Department shall complete and file an investigation report no later than ~~[5]~~ 7 days prior to the hearing date.

(b) Once a juvenile is certified as an adult pursuant to NRS ~~[62.080,]~~ 62B.390, the case shall proceed in accordance with the rules of criminal procedure.

Rule 35. ~~Guardianships.~~

~~1. All guardianship petitions shall be verified.~~

~~2. All petitions for appointment of guardian of an incompetent or person of limited capacity shall:~~

~~(a) Set forth the written factual allegations of a licensed physician or other qualified evaluator to support a finding of incompetency or limited capacity of the proposed ward, or explain why such factual allegations cannot be made.~~

~~3. Immediately upon appointment, every guardian shall complete and file with the clerk's office, an Acknowledgment of Receipt of the Instructions to Guardian on the form published by the court.~~

~~4. A guardian shall advise the court in writing of any change of address of the guardian or of the ward within 30 days of any change.~~

~~(a) Within 30 days after moving out of state a guardian shall file a petition naming a co-guardian who is qualified to serve under NRS 159.059.~~

~~5. Any change or withdrawal of counsel shall be submitted to the court for approval, except where another licensed attorney is~~

~~substituted in accordance with Rule 23. Counsel for a guardian cannot withdraw or substitute in the guardian as his or her own counsel (in proper person) without prior court order.~~

~~6. Attorney's and/or guardian's fees payable from a guardianship estate shall be approved by the court prior to payment, after application, notice and hearing.~~

~~(a) Every application for fees shall state with specificity the information required by NRS 150.060(1)(a)-(e).~~

~~(b) The notice of hearing shall contain the amount of attorney's and/or guardian's fees requested and shall be served in accordance with NRS 159.115.~~

~~7. The reporting requirements of NRS 159.081, 159.085 and 159.177 shall be strictly enforced and may be filed on the reporting form published by the court.~~

~~8. All accounting shall contain a summary or recapitulation showing:~~

~~(a) The beginning balance of cash accounts (the figure from the inventory if it is a first accounting, or the ending balance of the prior accounting if it is a subsequent accounting);~~

~~(b) Itemization of disbursements including date, check number, payee, purpose and amount;~~

~~(c) A recapitulation showing beginning balance, plus receipts, less disbursements and the balance in the account; and~~

~~(d) A schedule of assets showing any gains on sales or other disposition of assets, with the remaining property on hand.~~

~~9. Proof of service of the Order of Appointment of Guardian in accordance with NRS 159.074 shall be filed with the court.] Reserved.~~

Rule 36. ~~[Temporary guardianships.~~

~~1. All petitions for temporary guardianship shall be presented to the probate administrator for review and presentation to the court.~~

~~(a) A proposed order shall accompany the petition.~~

~~(b) Temporary and emergency guardianship orders shall be supported by a written statement from a licensed physician or other qualified evaluator in accordance with Rule 35.2(a).~~

~~2. Absent extraordinary circumstances, all petitions for temporary guardianship shall also contain a prayer for permanent guardianship.~~

~~3. If permanent guardianship is not sought or necessary, a petition to terminate temporary guardianship with a complete and detailed accounting shall be filed and set for hearing prior to the expiration of the statutory period.~~

~~4. Every order of temporary guardianship and/or letters of temporary guardianship shall include an expiration date and set out the specific powers granted.] Reserved.~~

Rule 37. Assignment, transfer and tracking of cases.

1. Court clerk's responsibilities.

(a) ~~[The court clerk shall reject for filing all pleadings and legal documents which do not conform to Rules 18 and 40.~~

(b)] When a case within the jurisdiction of the family division ~~[if]~~ is filed, the court clerk shall determine whether other cases involving the same parties or their children were or are before the family division of the court.

~~[(e)]~~ (b) All cases involving any of the same parties or their children shall be assigned to the original department ~~[which]~~ that first dealt with the parties.

~~[(d) Upon the filing of an answer in an action for divorce, separate maintenance, or annulment, the court clerk shall deliver the case file to the assigned judge, along with all other related files.]~~

2. Except as provided in subsection 1 above, the court clerk shall randomly assign all new cases among the departments of the family division.

3. If all family division judges are disqualified or preempted from a case, the chief judge of the district court shall assign the case to another district judge in compliance with Rule ~~[2.3.]~~ 2(3).

Rule 38. Caption for all pleadings and other legal documents.

1. Every document submitted for filing in the family division shall bear the following caption:

“IN THE FAMILY DIVISION
OF THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
IN AND FOR THE COUNTY OF WASHOE”

2. Every document submitted for filing in the family division by which child custody is at issue shall identify in its title that custody is at issue.

3. All pleadings shall conform with ~~[Rules]~~ Rule 10 ~~[and 18]~~ except that the family division may accept simple court-approved forms in which blanks are ~~[competed]~~ completed in legible black print.

Rule 39. Custody and ~~[UCCJA]~~ UCCJEA requirements. Every initial pleading on behalf of any party in a divorce, annulment, separate maintenance, protection order against domestic ~~[violence]~~ violence.

dependency, guardianship of a minor, paternity, termination of parental rights, or other custody [action, except joint petitions,] action by which custody of children is at issue, and every post-judgment motion and opposition in which custody of children is at issue, shall [comply with NRS 125A.120.] include or be accompanied by a sworn statement.

1. The sworn statement shall set out whether the party:

(a) Has participated, as a party or witness or in any other capacity, in any other proceeding concerning the custody of or visitation with the child and, if so, identify the court, the case number, and the date of the child custody determination, if any;

(b) Knows of any proceeding that could affect the current proceeding, including proceedings for enforcement and proceedings relating to domestic violence, protective orders, termination of parental rights, and adoptions and, if so, identify the court, the case number, and the nature of the proceeding; and

(c) Knows the names and addresses of any person not a party to the proceeding who has physical custody of the child or claims rights of legal custody or physical custody of, or visitation with, the child and, if so, the names and addresses of those persons.

Rule 40. Financial Declaration/Case Information Statement.

1. A Case Information Statement shall be filed with the initial pleading on behalf of any party in a divorce, annulment, or separate maintenance action, except for joint petitions. Parties shall use the Case Information Statement form published by the court.

2. In divorce, annulment, or separate maintenance actions, a Financial Declaration shall be filed upon motion ~~[for]~~ to establish or modify support in

compliance with Rule ~~[12 or within 10 days after an answer is filed.]~~ 12.
The court-approved form shall be used.

(a) If any party resides with one or more adult persons other than the opposing party, that party's Financial Declaration shall reflect the number of all adult persons living in the household and the extent to which the adult persons provide support and share in the party's living expenses.

(b) The requirements of this rule may not be waived as to content or time except by order of the court for good cause shown.

(c) The Financial Declaration form filed on behalf of any party shall be amended forthwith as material information is obtained by a party or counsel.

3. Filing and service of the Financial Declaration shall not supplant nor limit such discovery as either party is entitled to undertake pursuant to the Nevada Rules of Civil Procedure.

4. At such time that it appears to the parties and/or the court that resolution of the case is unlikely and trial is likely, the court may direct additional filing of a more comprehensive Financial Declaration on the court-approved form.

Rule 41. Procedure in divorce and other cases.

1. An application or joint petition for divorce filed pursuant to NRS 125.123 or NRS 125.181 to 125.184, inclusive, shall be submitted to the court for consideration without hearing.

(a) In addition to those matters described above, all contested divorces ~~[which]~~ that are settled by the parties with all issues ~~[resolved,]~~ resolved and uncontested divorces and ~~[all]~~ annulments, may be submitted without hearing by agreement of the parties and with the approval of the court.

2. Affidavits in divorce cases shall comply with the requirements of N.R.C.P. ~~[56(e).]~~ 56(c)(4).

3. Affidavits of residence witnesses shall state the affiant's residence address, and the length of time affiant has resided in this state. The affiant shall state: (a) that the affiant is personally acquainted with the party to the action whose residence is being corroborated; (b) the party's residence address; (c) the date from which the affiant knows that the party has resided at that address; and (d) the total length of time affiant knows the party has resided within the State of Nevada. If the jurisdiction of the court is based upon the minimum legal residency, the affiant shall specify the days that the party has been physically present in Nevada.

Rule 42. Affidavits.

1. All affidavits shall contain sufficient factual information within the personal knowledge of the affiant; such facts shall be specific and shall adequately support the relief requested.

(a) A party shall provide a ~~[specific]~~ fact-specific affidavit to the court when extraordinary relief is sought; including, but not limited to the dates of incidents, descriptive facts and specific harm caused.

(b) Extraordinary relief includes, but is not limited to ~~[temporary custody, restriction of visitation, removal of one party from the family residence and ex parte orders for protection against domestic violence.]~~ an application to take a person alleged to be a person in a mental health crisis into custody, a motion for service of process by an alternative method, or a motion for order to show cause.

2. The fact-specific affidavit required by Rule 42(1)(b) shall be filed concurrently with a motion for order to show cause and shall, at minimum,

state the title and filing date of the order the moving party claims has been violated, the date and method of service of the order on the party alleged to be in contempt, and specific facts that support each claim, as set forth in the motion, the party allegedly in contempt violated the order.

Rule 43. Ex parte orders within the family division.

1. Reasonable notice.

(a) Except as set forth below, the party requesting an ex parte order shall give reasonable notice to the opposing party, or his or her counsel.

(b) Reasonable notice includes the date, time and place the request will be made.

(c) Reasonable notice must afford the opposing party 24 hours within which the application may be opposed.

2. Notice exceptions.

(a) A party is excused from giving such notice where notice would frustrate the very purpose of the order or cause the party or child to suffer immediate and irreparable injury.

(b) Ex parte orders may be obtained without notice in the following circumstances:

(1) Where the order mutually restrains the parties from transferring, encumbering, hypothecating, concealing or in any way disposing of any property, real or personal, whether community or separate, except in the usual course of business or for the necessities of life;

(2) Where the order mutually restrains the parties from cashing, borrowing against, canceling, transferring, disposing of, or changing the beneficiaries of any insurance coverage, including life, health, automobile, and disability coverage;

(3) Where the order mutually restrains the parties from cashing, borrowing against, canceling, transferring, disposing of retirement benefits or pension plans for the benefit (or election for benefit) of the parties or their minor child or children;

(4) Where a child's health and safety is in danger; or

(5) Where such other circumstances exist as the court may find to warrant the issuance of an order without notice.

3. Automatic hearing.

(a) No hearing shall be held on an ex parte order entered under subsections 2(b)(1), (2) and (3) herein above.

(b) All other ex parte orders shall be heard within ~~[10]~~ 14 days of their entry.

(c) The hearing date shall be stated in the ex parte order.

(d) This rule shall not apply to temporary orders for protection against domestic violence.

Rule 44. Setting of cases.

1. Rule 4 shall govern the setting of cases in the family court, except as provided below.

2. Setting days/hours.

(a) Unless the court orders otherwise, all matters shall be set in the office of the family division clerk or ~~[administrative]~~ judicial assistant.

(b) Setting of cases shall be from 9:00 a.m. to 12:00 noon Tuesday through Thursday. All other calendaring shall be done by appointment.

3. Trials. Trials shall be set and heard within 6 months of service of the complaint, unless the court waives this requirement for good cause shown.

4. Law and motion.

(a) Unless otherwise required by statute or court rule, all motions, except motions affecting child custody, shall be submitted for decision without oral argument or hearing, unless otherwise ordered by the court.

~~[(b) Contested motions affecting child custody, including temporary custody, modification of custody and/or request to move out of state with children, shall be set for hearing. At the time of filing any motion affecting custody, the party filing it shall simultaneously file and serve a notice to appear and set the matter for hearing.]~~

~~(e)]~~ (b) Hearing on motions shall be held within 6 months of service of the motion, unless the court waives this requirement for good cause shown.

~~[(d)]~~ (c) Appropriate motions may be brought before the court on an ex parte basis in compliance with Rule 43.

Rule 45. Settlement conference.

1. Contact before hearings. Attorneys are required to contact opposing attorneys at least 48 hours before a motion is heard to discuss the settlement.

2. Settlement conference.

(a) A settlement conference may be held in all domestic relations cases set for trial.

(b) When a settlement conference is ordered, the settlement conference shall be conducted after the ~~[N.R.C.P. 16.1 conference]~~ N.R.C.P. 16.2 or 16.205 case management conference, if applicable, and completion of ~~[mediation]~~ mediation, if appropriate, and shall be scheduled at a time to be determined by the judge who is to preside over the settlement conference.

~~[(c) The settlement conference shall be set contemporaneously with the setting of the trial.]~~

3. Judge presiding over settlement conference.

(a) The judge assigned the case shall preside over the settlement conference.

(b) The judge presiding in the case may assign the settlement conference to another judge or master if appropriate.

4. Mandatory attendance.

(a) Each party and the attorney for each party shall personally attend the settlement conference unless the court excuses such attendance.

(b) Prior to the settlement conference, each party shall prepare and present a statement indicating the significant issues in dispute.

5. All parties shall attend the settlement conference fully prepared for trial on all unresolved issues except that non-party witnesses need not be present.

6. Waiver of settlement conference. The parties may, by stipulation, and with the court's consent, waive the settlement conference.

Rule 48. Default [~~divorees~~] judgments involving child custody.

1. Affidavit required.

(a) Where a default judgment in an action for divorce involving minor children is sought, and the proposed judgment does not include or refer to a written custody and visitation agreement, the moving party shall attach an affidavit setting forth the following:

(1) The date the parties were separated;

(2) The person with whom the child has lived during the past 6 months; and

(3) The extent of contact the child has had with both parents in the past 6 months.

2. In addition:

(a) Where the party seeks child custody, the affidavit shall specify a visitation schedule for the defaulting party and the child.

(b) Where the party seeks to deny visitation between the child and the defaulting party, the affidavit shall include:

(1) The reasons visitation should be denied;

(2) The last time the defaulting party contacted or visited the child;

and

(3) The last known address and whereabouts of the defaulting party.

(c) Where the party seeks supervised visitation between the child and the defaulting party, the affidavit shall specify:

(1) The reasons visitation should be supervised;

(2) When and where supervised visitation shall take place; and

(3) The person or agency who shall supervise the visitation.

(d) As an alternative to (b) and (c), above, the party may request that the matter be referred to family division mediation.

Rule 57.3. Probate commissioner.

1. The Second Judicial District Court has approved automatic referral of all probate and trust proceedings under Title 12 and chapters 162 through 167 of Title 13 of the NRS to a master, designated in Rule 57 as the "probate commissioner."

2. A district judge may refer any other matter to the probate commissioner for recommendation unless prohibited by law. Such referral may be by application of a party to the action or on the judge's own initiative.

3. The probate commissioner shall hear and make recommendations on all matters assigned to the probate commissioner, except those matters that

require disqualification. The probate commissioner may disclose on the record the basis of the probate commissioner's disqualification and may ask the parties and their lawyers to consider, out of the presence of the probate commissioner, whether to waive disqualification. If following disclosure of any basis for disqualification other than personal bias or prejudice concerning a party, the parties and lawyers all agree that the probate commissioner should not be disqualified, and the probate commissioner is willing to participate, the probate commissioner may participate in the proceeding. The agreement shall be incorporated in the record of the proceeding.

4. The probate commissioner:

(a) Shall receive oral, documentary and tangible evidence and establish a record;

(b) Shall make findings of fact, conclusions of law and recommendations for the provisions and enforcement of any order; and

(c) Shall have any other power or duty contained in an order of reference issued by the court.

5. The probate commissioner may request a district judge to make an immediate determination of appropriate sanctions for contemptuous behavior, issue a bench warrant, quash a warrant, or release persons arrested thereon.

6. Within a reasonable time after the evidence presented in a contested matter is closed, the probate commissioner shall file written findings of fact and recommendations, which shall also be served on parties entitled to notice.

7. Within ~~[10]~~ 14 days after the probate commissioner serves and files findings of fact, conclusions of law and recommendations in any contested probate matter, any party adversely affected by the recommendation may file with the clerk of the court and serve on the other parties and the probate commissioner, a written request for judicial review of the matter by the probate

judge. Failure to file a written request for review within the ~~[10-day]~~ 14-day period will result in adoption of the probate commissioner's recommendation by the probate judge and preclusion of limited judicial review by the probate judge.

8. Upon filing of a timely request for judicial review, the matter will be transferred to the probate judge. Such judicial review will be subject to limited review by the probate judge. Judicial review of a final recommendation of the probate commissioner will be confined to the record, except as provided below.

9. In cases concerning alleged irregularities in procedure before the probate commissioner that are not shown in the record, the probate judge may receive evidence concerning the irregularities.

10. The final recommendation of the probate commissioner shall be deemed reasonable and lawful until reversed or set aside in whole or in part by the probate judge. The burden of proof is on the party attacking or resisting the recommendation to show that the final decision is invalid pursuant to section 11 below.

11. Except as to matters of law, the findings of fact and recommendation of the probate commissioner will not be disturbed, unless they are clearly erroneous.

12. The parties may stipulate to immediate entry of order on the probate commissioner's recommendation.

13. For good cause, the probate judge may enforce the probate commissioner's recommendation pending appeal.

14. The probate commissioner may direct counsel for a party to prepare findings of fact, conclusions of law and recommendation, which shall be delivered to the probate commissioner no later than ~~[10-judicial]~~ 14 days after the probate commissioner so directs.

15. The probate commissioner may perform the duties of any other duly appointed master or commissioner as the administration of justice may require.

16. All proceedings before the probate commissioner shall be conducted with appropriate decorum and procedure to ensure respect and obedience to the court and its rules.

17. The probate commissioner may make appropriate sanctions for failure to comply with the appropriate statutes or rules of the court.

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EXHIBIT PAGE ONLY

EXHIBIT C

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13 **IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**

14 **IN AND FOR THE COUNTY OF WASHOE**

15 IN THE MATTER OF THE ESTATE

Case No.: PR20-00415

16 OF

Dept. No.: 15

17 CLIFFORD LAUGHTON,

18 Deceased.

19 **RICHARD SCHULZE'S SUPPLEMENTAL BRIEF REGARDING MOTION TO REVOKE**
20 **LETTERS TESTAMENTARY AND TO REVOKE PROBATE FOR LACK OF**
21 **JURISDICTION UNDER NRS 136.010 ET SEQ.**

22 Richard Schulze, Personal Representative of the Estate of Clifford Laughton, by and through
23 his counsel, Dotson Law, hereby files this Supplemental Brief Regarding Motion to Revoke Letters
24 Testamentary and to Revoke Probate for Lack of Jurisdiction Under NRS 136.010 et seq.¹

25 **MEMORANDUM OF POINTS AND AUTHORITIES**

26 Following a Request for Review of the Probate Commissioner's June 24, 2021,
27 Recommendation for Order,² this Court issued an Order to Set Oral Argument, which has been set for
28 August 16, 2021. In conjunction with this Court's Order allowing additional briefing, Schulze hereby
submits the following. While Schulze does not agree with the entirety of the Probate Commissioner's
Order, he does agree that an evidentiary hearing should be set to address any remaining issues bearing

¹ Although only raised in Straka's Reply and therefore not properly before the Court, Schulze opposes his removal as
Personal Representative.

² Schulze opposed the Request for Judicial Review based upon a local rule which had since been updated. Counsel for
Schulze utilized a 2020 rule book with an old version of the local rule and apologizes for this error.

1 on estoppel as well as the ownership of the assets including the real property in Nevada. It is further
2 his contention that this Court should retain jurisdiction.

3 **A. Straka and Gross themselves provided information to Schulze and others**
4 **suggesting Cliff Laughton was a Nevada resident.**

5 Straka's Motion and Reply both focus on the alleged misrepresentations of Schulze to the
6 Court regarding Laughton's residency and incorrectly suggest that Schulze contrived some scheme to
7 allow Laughton to commit voter fraud and tax fraud. The affidavit submitted herewith should dispense
8 with that irrelevant assertion. There is no dispute that it has now become apparent that Laughton was
9 not a Nevada resident at the time of his death. However, this was not always evident. In fact, Straka
10 and Gross, as well as Laughton himself, repeatedly represented that Cliff Laughton ("Laughton") was
11 a Nevada resident. Some of these instances are set forth in the Affidavit of Richard Schulze attached
12 hereto as **Exhibit 1**. The instances of Gross and Straka's representations regarding Laughton's
13 Nevada domicile directly contradict their sworn affidavits submitted in this matter. One example, set
14 forth in **Exhibit 1**, has Straka representing to Laughton's CPA that "[h]e is a resident of Nevada. He
15 comes to Hawaii to visit does not stay more than three months." (See **Exhibit 1**, Schulze Aff. at ¶ 17;
16 **Exhibit 4** to Schulze Aff., Emails from Straka to CPA.) This directly contradicts Straka's Affidavit
17 attached as Exhibit 6 to the Motion to Revoke. In it, she states that during the first few years of her
18 employment with Laughton (approximately 2005), Laughton had represented to her that he was a
19 resident of Nevada, but by 2009 she had come to understand that Laughton was actually a full-time
20 resident of Hawaii. (See Straka Aff., attached as Exhibit 6 to Motion to Revoke at ¶¶ 3-4.) She then
21 stated that she could "say with complete confidence that from 2009 until his death in July 2020, Cliff
22 was a permanent resident of Hawaii" and that "Cliff was never a permanent or part-time resident of
23 Nevada." (See *id.* at ¶ 5.) If Straka, who by her own admission worked very closely with Laughton as
24 a close friend and business associate, did not know during the first 4 years of her employment that
25 Laughton was not a resident of Nevada, it is not difficult to see how Schulze could have been led to
26 believe Laughton was a resident of Nevada, especially given Straka's clear propensity to make this
27 misrepresentation to professionals retained to assist Laughton. In fact, as set forth in the Motion to
28 Revoke and Exhibit 7 thereto, Laughton's federal tax returns for 2016 through 2018, prepared by
Laughton's CPA with whom Straka had communicated and provided information on Nevada

1 residency, reflect Laughton's home address as the Wedge Parkway address. (See Motion to Revoke
2 at 6:17-25; **Ex. 7** to Motion to Revoke, Federal Tax Returns.)

3 **B. Laughton's ownership of a Nevada corporation and membership interest in a**
4 **Nevada LLC was personal property located in Nevada.**

5 The Probate Commissioner properly recognized that, contrary to Straka's contentions, an
6 "estate" includes personal property as well as real property. (See Recommendation for Order at 11:3-
7 5.) The personal property at issue is Laughton's ownership interests in CL Mgt. Corp. (a Nevada
8 corporation), Hawaii Holdings, LLC (a Nevada limited liability company), and Nevada Holdings, Ltd.
9 There is no dispute as to Laughton's ownership of Nevada Holdings, Ltd. at the time of his death.
10 However, there is presently a dispute as to who owned CL Mgt. and Hawaii Holdings at the time of
11 Laughton's death. Interestingly, in her Reply, Straka raises the issue of corporate separateness and
12 notes that ownership of property by an entity is not necessarily imputed to the owner of that entity.
13 (See Reply at 8:4-14.) Although much of the corporate and personal financial records for Laughton
14 have not been produced by Straka, the custodian of those records, what has been disclosed
15 demonstrates a lack of any corporate separation. Rather, it appears that revenue from all sources was
16 collected and expenses paid for personal and corporate needs from Hawaii Holdings, LLC. Thus,
17 although the issue is admittedly not ripe for this motion it may well be determined that all corporate
18 separateness was disregarded by Laughton and should be disregarded by this Court. That would
19 require a hearing, but would result in Laughton directly owning real property in Washoe county.

20 In her Reply Straka points to a settlement agreement between Straka and her co-trustees,
21 Schulze and Caifano agreeing that, due to a purported gift to Straka of CL Mgt. shares, both CL Mgt.
22 and Hawaii Holdings were owned by Straka and not Laughton personally. (Reply at 9:23-9:4.)
23 Importantly, this issue is not yet before the Court; however, it is anticipated that it soon will be.
24 Schulze has learned that information provided to him and co-trustee Richard Caifano by Straka and
25 Gross during the negotiation of the Settlement Agreement, upon which they relied, was false and they
26 were fraudulently induced to enter into that agreement. (See **Exhibit 1**, Schulze Aff. at ¶¶ 21-24.)
27 Under Nevada law, fraud in the inducement is a basis for rescission of a contract. See *Awada v. Shuffle*
28 *Master, Inc.*, 123 Nev. 613, 623, 173 P.3d 707, 713 (2007). Additionally, there was *at least* a mistake
made regarding the validity of any gift of CL Mgt. to Straka through a gift of bearer certificates.

1 Despite Straka's claim that she was gifted these bearer certificates, Nevada law clearly provides that
2 "[a] corporation has no power to issue a certificate in bearer form, and any such certificate that is
3 issued is void and of no force or effect." NRS 78.235(1). Both mutual mistake and unilateral mistake
4 can be a basis for an equitable rescission of a contract. *See Gramanz v. Gramanz*, 113 Nev. 1, 8, 930
5 P.2d 753, 758 (1997), citing *Tarrant v. Monson*, 96 Nev. 844, 845, 619 P.2d 1210, 1211 (1980); *Home*
6 *Savers, Inc. v. United Sec. Co.*, 103 Nev. 357, 358, 741 P.2d 1355, 1356 (1987); *Oh v. Wilson*, 112
7 Nev. 38, 40, 910 P.2d 276, 278 (1996). These issues will be before the Court shortly. If ownership
8 of CL Mgt. at the time of death is critical to the Court's ruling, an evidentiary hearing should occur.

9 While it is clear that personal property makes up a portion of an "estate," Straka asserts that
10 such personal property in the form of the Nevada business entities is located in Hawaii where Laughton
11 was a resident. (Reply at 9:7-8). The Probate Commissioner agreed, citing the doctrine of *mobilia*
12 *sequunter personam* to find that Laughton's interests in his Nevada entities are not "located" within
13 Nevada. (See Recommendation for Order (June 24, 2021) at 11:17-13:7.) However, the cases cited
14 by the Probate Commissioner are decades old, and the Probate Commissioner recognized the existence
15 of contrary authority. In fact, the Supreme Court of Oklahoma has held:

16 The general rule is that shares of stock in a corporation are personal
17 property, whose location is in the state where the corporation is
18 created.

18 *** *** *** *** ***

19 As the habitation or domicile of the company is and must be in the
20 state that created it, the property represented by its certificates of
21 stock may be deemed to be held by the company within the state
22 whose creature it is, whenever it is sought by suit to determine who
23 is its real owner.

22 *Black Eagle Min. Co. v. Conroy*, 94 Okla. 199, 221 P. 425, 427 (1923) (internal quotations omitted),
23 citing 4 Thompson on Corporations (2d Ed.) § 3471. The *Black Eagle* court noted that while courts
24 are not uniform in their holdings on this issue, "the great weight of authority" is that "[f]or the purposes
25 of administration, the situs of the interest in a corporation, as evidenced by certificates of stock, is in
26 the state in which the corporation was organized and has its place of business; and the fact that a
27 nonresident died owning stock in a corporation organized and having its place of business in this

1 state.” *Black Eagle Min. Co.*, 221 P. at 428. Other courts have arrived at a similar conclusion. *See*,
2 *e.g.*, *Grayson v. Robertson*, 122 Ala. 330, 342, 25 So. 229, 232 (1899) (“A certificate of stock is
3 merely the evidence of ownership. The situs of the interest which it represents, for the purposes of
4 administration, must be in the state in which the corporation was organized and has its place of
5 business. It is the situs of the corporation, not the domicile of the holder of the certificate, that
6 determines”; *Harris v. Mid-Continent Life Ins. Co.*, 75 Okla. 105, 182 P. 85, 86 (1919) (“the situs of
7 shares of stock is within the state where the corporation resides, and that they may lawfully be levied
8 on in such state, though owned by a nonresident.”))

9 In a case from this century, *In re Blixseth*, 484 B.R. 360, 370 (B.A.P. 9th Cir. 2012), the Ninth
10 Circuit’s bankruptcy panel evaluated proper venue for an involuntary Chapter 7 bankruptcy petition
11 filed in the District of Nevada and subsequently dismissed. Blixseth was a Washington resident who
12 had membership interests in two Nevada entities – one a limited liability company and the other a
13 partnership. In reversing the lower court and finding venue in Nevada to be appropriate, the Court
14 was apparently not persuaded by the argument of the dissent’s citation of *mobilia sequuntur personam*
15 and stated:

16 In sum, the Nevada legislature has made it clear that, to
17 sell Blixseth’s member interests, a bankruptcy trustee must resort to
18 the Nevada courts either to obtain a charging order
19 against Blixseth’s interest in the LLLP or LLC, or to dissolve those
20 entities. Through these restrictions, in our opinion, the statutes
implicitly reflect the legislature’s assumption that a member’s or
partner’s interests are “located” in Nevada. Consistent with that
assumption, in the context of this case, we believe Nevada should
be deemed the location of Blixseth’s interests in Desert Ranch and
Desert Management.

21 *In re Blixseth*, 484 B.R. at 370 (emphasis added). Here, as in *Blixseth*, Laughton availed himself of
22 the benefits of establishing entities in Nevada, which in turn held his valuable assets (some of which
23 were physically in Nevada). Nevada law governs the creation, management, and dissolution of those
24 entities, and as recognized in *Blixseth*, foreign jurisdictions do not typically have the authority to
25 adjudicate the affairs of entities of another state. *See Blixseth*, 484 B.R. at 370 (collecting cases).

26 Accordingly, while courts holdings are not uniform in this regard, it would be proper to find
27 that Laughton’s ownership interest (which through various vehicles was entire) in Nevada entities is
28 personal property located in Nevada which subjects the estate to the jurisdiction of this Court.

1 **CONCLUSION**

2 In sum, it is apparent that Cliff Laughton was not a resident of Nevada at the time of his
3 death. It is also apparent, however, that Straka and Gross have both made significant representations
4 to the contrary and which are contradictory to their affidavits submitted herein. Because they have
5 submitted to this Court's jurisdiction and in fact significantly contributed to perpetuating the idea of
6 Laughton's residence in Nevada, the doctrines of judicial estoppel and law of the case should allow
7 the case to remain in Nevada. Additionally, while there is certainly contrary authority, Schulze takes
8 the position as set forth herein that Laughton's ownership interests in three Nevada entities is a basis
9 for this Court's continued jurisdiction and that it may eventually be determined that those entities
10 should be disregarded in any event.

11 **Affirmation Pursuant to NRS 239B.030**

12 The undersigned does hereby affirm that the preceding document does not contain the social
13 security number of any person.

14 DATED this 13 day of August, 2021.

15 DOTSON LAW

16 

17 ROBERT A. DOTSON

18 Nevada State Bar No. 5285

19 JUSTIN C. VANCE

20 Nevada State Bar No. 11306

21 5355 Reno Corporate Drive, Ste 100

22 Reno, Nevada 89511

23 (775) 501-9400

24 Attorneys for Personal Representative

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of DOTSON LAW, and that on this date; I caused to be served a true and correct copy of the foregoing by:

- ☐ (BY MAIL) on all parties in said action, by placing a true copy thereof enclosed in a sealed envelope in a designated area for outgoing mail, addressed as set forth below. At Dotson Law, mail placed in that designated area is given the correct amount of postage and is deposited that same date in the ordinary course of business, in a United States mailbox in the City of Reno, County of Washoe, Nevada.
- ☒ By electronic service by filing the foregoing with the Clerk of Court using the E-Flex system, which will electronically mail the filing to the following individuals.
- ☐ (BY PERSONAL DELIVERY) by causing a true copy thereof to be hand delivered this date to the address(es) at the address(es) set forth below.
- ☐ (BY FACSIMILE) on the parties in said action by causing a true copy thereof to be telecopied to the number indicated after the address(es) noted below.
- ☐ Reno/Carson Messenger Service.
- ☒ By email to the email addresses below.

addressed as follows:

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DATED this 13 day of August, 2021.


L. MORGAN BOGUMIL

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INDEX OF EXHIBITS

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EXHIBIT 1

EXHIBIT 1

1 **AFFIDAVIT OF RICHARD SCHULZE IN SUPPORT OF OPPOSITION TO MOTION TO**
2 **REVOKE LETTERS TESTAMENTARY AND TO REVOKE PROBATE FOR LACK OF**
3 **JURISDICTION UNDER NRS 136.010 ET SEQ. AND ALTERNATIVELY MOTION FOR**
4 **LEAVE TO AMEND**

4 STATE OF NEVADA)
) ss.
5 COUNTY OF WASHOE)

6 RICHARD P. SCHULZE, being duly sworn, hereby states and affirms:

7 1. I am an attorney licensed to practice law in the State of Nevada.

8 2. I am familiar with matters herein of my knowledge except as to matters stated upon
9 information and belief and as to those matters, I believe them to be true.

10 3. I am the court appointed Personal Representative of the above-entitled estate.

11 4. I am also a Trustee of The Laughton Living Trust (the "Trust").

12 5. Clifford Laughton ("Laughton") passed away on July 13, 2020.

13 6. As the Court is aware, I filed a Motion on August 4, 2020 seeking appointment as
14 Special Administrator of Laughton's estate.

15 7. On September 2, 2020, I filed a Report of Special Administrator; Request to
16 Terminate Special Administration and Revocation of Letters of Special Administration; Petition for
17 Admission of Will to Probate; Issuance of Letters Testamentary; and For General Administration of
18 the Estate" based upon Laughton's alleged residency in Washoe County, Nevada.

19 8. On October 14, 2020, the Court issued an Order Terminating Special Administration
20 and Revoking Letters of Special Administration; Admitting Will to Probate; Issuance of Letters
21 Testamentary and For General Administration.

22 9. In her Motion to Revoke, Straka included affidavits from both herself and Ken Gross
23 affirming their knowledge of Laughton's residency. Straka stated that she could "say with complete
24 confidence that from 2009 until his death in July 2020, Cliff was a permanent resident of Hawaii"
25 and that "Cliff was never a permanent or part-time resident of Nevada." (See Affidavit of Ann
26
27
28

1 Rafael-Straka attached as Exhibit 6 to Motion to Revoke.) The Affidavit of Ken Gross states that
2 “[d]uring the 20+ years before his passing, Cliff was a permanent resident of Hawaii and was never
3 a permanent resident, or even part-time resident, of Nevada.” (See Affidavit of Ken Gross attached
4 as Exhibit 4 to Motion to Revoke.)

5 10. While I had temporarily allowed Laughton to use my address in or around 2015 it
6 was not my intent to assist in the perpetration of any fraud; rather, it was my intent to allow
7 Laughton to use this temporarily while he purchased a home in Nevada, which I thought was to
8 occur within 2, or at most 3 months of my making this agreement with Laughton.

9 11. Despite their admitted knowledge that Laughton was not a resident of Nevada and
10 attempt to suggest fraud on my part for so suggesting, Straka and Gross, and even Laughton himself,
11 have made numerous representations regarding Laughton maintaining a residency in Nevada.

12 12. On September 18, 2009, Laughton sent an email with an attached letter to his son,
13 Mitchell Lang. He copied various other individuals, including me. A true and correct copy of this
14 email and letter is attached hereto as **Exhibit 1**. In that letter, Laughton claims: “I have established
15 myself as a bona fide resident of Nevada, which included my having to build a home there...” (See
16 **Exhibit 1**, Letter to Mitchell Lang at ¶ 5.)

17 13. Attached hereto as **Exhibit 2** is a true and correct copy of an email dated October 27,
18 2009 between Gross and Laughton with the subject “Draft response to Chris” wherein it is stated
19 that Laughton is domiciled in Reno, Nevada.

20 14. While I had previously done some work for Laughton through Ron Baldwin, my
21 closer associations with him began around 2008-2009. At that time, I knew that Laughton owned a
22 home in Montreux (which I later learned had been owned by one of his entities, NV Holdings, Ltd.)
23 I met with Laughton on numerous occasions at the Montreux home and that is where he told me he
24 lived.

1 15. In or around October 2012, I was assisting Laughton and his wife Jackie in opening
2 an account with Premier Trust in the name of the Jacqueline L. Takeshita Irrevocable Trust. Brian
3 Simmons, the trust officer, required a copy of Laughton's drivers license. I requested and obtained
4 from Laughton a copy of his driver's license, which was issued in 2008 and had the Wedge Parkway
5 address on it. A true and correct copy of the communications with my office and Brian Simmons,
6 along with a copy of the license that was provided, is attached hereto as **Exhibit 3**.

7
8 16. The Wedge Parkway address was in use by Laughton prior to the time I began my
9 association with him and I had no role in selecting or securing that address. It never occurred to me
10 to check whether the address was in fact a residence.

11 17. Attached hereto as **Exhibit 4** are emails between Straka and Reid Tatsuguchi, CPA
12 between 2013 and 2015 wherein Tatsuguchi is seeking information regarding Laughton's mailing
13 address and residency, among other things. As set forth therein, Ann Straka represented to the CPA
14 in each of those years that Laughton's mailing address was 18124 Wedge Parkway in Reno, Nevada.
15 In fact, in her email dated June 8, 2014, Straka stated that Laughton is a "part year resident of
16 Hawaii." (See **Exhibit 4**.) On August 8, 2013, Straka informs Tatsuguchi that "[h]e is a resident of
17 Nevada. He comes to Hawaii to visit does not stay more than three months." (*Id.*, emphasis added.)
18 Again, this representation is from Straka, the very same individual who swore in this proceeding that
19 she knows Laughton was "a permanent resident of Hawaii" and that "Cliff was never a permanent or
20 part-time resident of Nevada."
21

22 18. Attached hereto as **Exhibit 5** is a true and correct copy of an email communication
23 dated January 7, 2016, between Laughton and Straka regarding Nevada voter registration wherein
24 Straka identifies three Nevada telephone numbers that Laughton states need to be kept active
25 always. Laughton also advised Straka that he would be using Schulze's home address as his
26 residence address. I was not aware of this email or Laughton's continued use of my former home
27 address (I had since moved) at that time.
28

1 19. On July 23, 2018, Gross sent Laughton an email with a proposed Affidavit, drafted
2 by Gross, following Gross's discussion with Laughton on the same date and making "wording
3 changes as [they] discussed." Straka was copied on this email, which also asked Laughton to get the
4 affidavit signed and notarized. Straka again on July 25, 2018 and August 31, 2018 re-sent the
5 proposed affidavit to Laughton reiterating the importance of getting it signed. The Affidavit that
6 Gross and Straka were seeking to have Laughton sign as of July/August 2018 specifically states that
7 Laughton is a resident of Reno, Nevada; Chicago, Illinois; and Honolulu, Hawaii, but that he is
8 domiciled in Reno, Nevada. These emails and the unsigned Affidavit are attached hereto as **Exhibit**
9 **6**.

11 20. Accordingly, these communications by Straka, Gross, and Laughton himself all
12 contradict the affidavits of Gross and Straka and further show that Gross and Straka, in other
13 contexts, made representations that directly contradict their affidavits in this matter.

14 21. Shortly after Laughton's death, Straka and Gross informed myself and Richard
15 Caifano (Straka, Caifano, and myself were co-trustees) that Laughton had gifted Straka the shares of
16 CL Mgt. and that as a result Straka owned a significant amount of Laughton's assets. While Caifano
17 and I lacked documentation to corroborate what we were being told, we entered into a settlement
18 agreement with Straka acknowledging the gift and that, as a result, Straka owned the Hawaii
19 Holdings entities. A true and correct copy of the Settlement Agreement dated October 15, 2020 is
20 attached hereto as **Exhibit 7**.

22 22. The Settlement Agreement itself reflects mine and Caifano's lack of knowledge and
23 documents and the reliance on documents and facts provided by Straka and Gross. (*See Exhibit 7*,
24 Settlement Agreement at p.1.) My entering into the settlement agreement was predicated on my
25 reliance that Straka and Gross had made full and fair disclosures of all facts known to them during
26 the negotiations. (*See id.*)

23. During the negotiation of the Settlement Agreement, Gross sent an email to me identifying the residency issues and threatening that if I were to “pull [the] ownership issues into court,” that he and Straka “will be forced to refute the court’s jurisdiction on the grounds of residency. This issue is better left alone.” A true and correct copy of the email from Gross, dated October 12, 2020, is attached hereto as **Exhibit 8**. It was not until I received this email that I learned that Laughton may not have been at least a part time resident of Washoe County, Nevada.

24. It should be noted that shortly after entering into the Settlement Agreement I learned that Straka and Gross had in fact withheld crucial information and documents that are contrary to the representations they made and upon which I relied in entering into this Agreement. Those issues will be addressed in a subsequent filing.

25. Additionally, despite purportedly having knowledge of jurisdictional issues at least as of October 12, 2020 and by Gross’s own admission “refrain[ing] from taking issue with [them]” (*see Exhibit 8*, Email from Gross dated October 12, 2020), Straka and Gross have both filed a number of documents with the Court acknowledging this Court’s jurisdiction and seeking this Court’s aid in protecting their alleged rights and claims. In her Opposition to Petition for Instructions Re. Allocation and Payment of Federal Estate Taxes Pursuant to NRS 150.290-150.390, Straka specifically stated: “Respondent does not object to...this Court’s jurisdiction over the Decedent’s Estate.” (See Opposition to Petition for Instructions Re. Allocation and Payment of Federal Estate Taxes filed December 31, 2020 at 2:3-4.)

26. Since November 17, 2020, Straka and Gross have filed the following in this matter without raising the issue of jurisdiction:

Claim	Date Filed
General Claim filed by Kenneth Gross, Esq. for Unpaid Professional Fees	11/17/2020
General Claim filed by Ann Rafael-Straka for Unpaid Salary and Signing Bonus	11/19/2020
Objection to Request for Fees and Costs of Special Administration	12/1/2020

1	Opposition to Petition for Instructions Re. Allocation and Payment of Federal	12/31/2020
2	Estate Taxes Pursuant to NRS 150.290-150.390	
3	Supplement to Opposition to Petition for Instructions Re. Allocation and	1/5/2021
4	Payment of Federal Estate Taxes Pursuant to NRS 150.290-150.390	
5	General Claim of the Laughton Foundation	1/20/2021
6	General Claim of Hawaii Holdings, LLC	1/26/2021
7	General Claim of Ann Rafael-Straka for Termination/Severance Benefit and	1/31/2021
8	Unused Vacation Time	
9	Petition for Determination of Validity of Claim for Unpaid Professional	2/3/2021
10	Services Re. Ken Gross	
11	Petition for Determination of Validity of Claim for Repayment of Missing	2/4/2021
12	Funds Re. The Laughton Foundation	
13	Petition for Determination of Validity of Creditors Claim Re. Ann Rafael-	2/5/2021
14	Straka's Unpaid Salary and Bonus Claim	
15	Petition for Determination of Validity of Creditors Claim Re. Ann Rafael-	2/5/2021
16	Straka's Severance Claim	
17	Petition for Determination of Validity of Creditors Claim Re. Hawaii	2/5/2021
18	Holdings	
19	Joint Opposition to Motion for Order Extending Time	2/26/2021
20	Objection to Subpoena Requests and Motion for Protective Order	3/15/2021
21	Opposition to Request for Interim Attorney's Fees by Straka	3/30/2021
22	Opposition to Request for Interim Attorney's Fees by Gross	3/30/2021

23 I declare under penalty of perjury under the laws of the State of Nevada that the foregoing is
24 true and correct, and that this Affidavit was executed in the State of Nevada, County of Washoe, on
25 August 12th, 2021.

26 FURTHER YOUR AFFIANT SAYETH NAUGHT.

27
28

RICHARD P. SCHULZE

SUBSCRIBED and SWORN to before me
this 12th day of August, 2021.


NOTARY PUBLIC



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INDEX OF EXHIBITS

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EXHIBIT 1

EXHIBIT 1

Morgan Bogumil

From: Ken Gross <kengross@cfl.rr.com>
Sent: Friday, September 18, 2009 5:05 AM
To: Clifford Laughton
Subject: Re: Truth

Cliff - I was emotionally moved by this letter. It is excellent. I will be very interested to see how your boys react. Ken
----- Original Message -----

From: Clifford Laughton
To: Mitchell Lang ; jolangrmd@comcast.net ; Scott Lang ; Irene Lang ; Jeffrey Lang ; Monika Lang
Cc: mrudy@macrudylaw.com ; hgolden@rsplaw.com ; Carroll Taylor ; Richard Caifano ; Richard Schulze
Sent: Friday, September 18, 2009 2:59 AM
Subject: Truth

Please read the attached.

Dad

Dear Mitchell:

Your September 9th e-mail asked me to address a number of statements made by Trevor Brown, in a recent e-mail to Carroll Taylor, including his reference to "obscene" abuses. This would also include the untruths put forward by Vernon Woo, in a letter to you guys on September 15th.

Before I explain, let me ask you a very simple and straightforward question:

If six weeks ago I had told you that back in 1983, I had placed 60% of the stock of a company I had built from scratch into a trust for you guys, then sold that very company for millions of dollars, what would your reaction have been? You don't have to tell me, because I know; each of you would have been absolutely thrilled.

Instead, I didn't keep any of this company's shares for myself, wanting it to go to you guys in the event anything happened to me. Just the same, it was never, ever, my intention to not be able to manage my assets as I unilaterally saw fit.

As we had discussed and as you and Scott well know, I had no obligation, whatsoever, to place the ownership of this company into the trust I had established for you. I did so because you guys are my sons and I wanted to somehow make up for not being around while you guys were growing up. I may have been derelict in supplying a father's emotional support as you were growing up, but I figured that I could at least provide all of you with financial security as you became older.

I made this trust **"irrevocable"**, as opposed to a **"revocable"**, trust, for one purpose, tax avoidance. Your attorney can explain the difference between these two types of trusts to you. You and your brothers would have been the beneficiaries of either one, but because of my wanting to avoid your "effectively" having to pay a lot of estate taxes upon my death or pay transfer taxes upon earlier distribution of trust assets, I chose the irrevocable form of trust, which is what is now ultimately causing all of the problems I am having to deal with at the moment. Again, these were not someone else's assets. These were my assets, which I had chosen to place in trust for you and your brothers. The taxes I hope to have saved by doing this wouldn't have effected me one way or the other; they could only effect the net amount all of you would ultimately receive.

As a result of this legal technicality, control over my assets is now being taken from me and I am being accused of wrongdoing in the process. What I find absolutely amazing, in an incredibly disappointing sense, is that all of you just seem to be letting this happen to me, instead of standing by my side and discussing with me my wishes and the disposition of my estate. I deeply regret making these trusts irrevocable, but I hope you and your brothers will at least keep in perspective that the bonanza each of you are about to receive is a gift - not an entitlement.

What Trevor Brown is referring to as wrongdoing and subject to potential surcharges is simply this: When Columbia Communications Corporation was sold to General Electric; I paid myself 10% of the proceeds from the sale to cover ten years worth of deferred compensation and unpaid reimbursable expenses. This was 100% offset by saving the

trust a 10% Hawaii state tax, making this act revenue neutral to the trust. The 10% payment to me equaled the 10% that we didn't have to pay to the State of Hawaii.

I first started work on Columbia April 12, 1981. Columbia didn't become operational until January 2, 1992. Throughout all of those years, Jackie and I barely scraped by, living for the most part on her income as an insurance agent and a few real estate commissions I had earned as a part-time real estate salesperson. Jackie would work all day at her job and then come home and do three or four hours of typing and office work for me. It appears that you guys think that you have had it tough, while living in beautiful homes, driving nice cars and motorcycles and having nothing more to do than to attend school and get yourselves educated.

For several years, Jackie, Robyn and I lived in a studio apartment, with Robyn sleeping on the floor. After all those years of Jackie sacrificing her life to help me get Columbia going, the ultimate slap for her was my demanding that she give me a divorce to avoid having the trust pay Hawaii state income taxes. By divorcing Jackie and changing my tax domicile to Nevada, I was able to claim, in good faith, that the trust was not subject to Hawaii taxation. What a mistake that was! Jackie and I spent many unhappy years apart, only reuniting in April of 2007. And for what -- for this now to happen? Do you guys really think you have been making sacrifices and undergoing stress and hardship? Really?

Here is where the 10% went:

1. Almost \$2 million for federal taxes.
2. About half of what was left went to Jackie in settlement of our divorce. She deserved a whole lot more!
3. I had given \$1 million to your Mother.
4. I had paid for all of your Grandmother's nursing home expenses for the last few years of her life, including around-the-clock nursing care.
5. I established myself as a bona fide resident of Nevada, which included my having to build a home there, which is what enabled saving the Hawaii state taxes.
6. I built schools and fresh-water wells for truly impoverished people in Cambodia, who really understand the meaning of hardship and sacrifice. If any of you actually went to Cambodia or other places like it and witnessed children drinking bacteria-infested water out of ruts in dirt roads, I am certain that all of you would come away from that experience feeling that someone just has to do something.

What makes the claims by Trevor and Vernon even more outrageous is that by my doing this in the manner I had, I actually saved the trust millions of dollars. Had Jackie and I not divorced and undergone all of the above to avoid paying the 10% Hawaii state taxes, your trust would have paid these taxes and still would have had to reimburse me for differed compensation and unpaid reimbursable expenses. I am growing real tired of

hearing about wrongdoing and surcharges from my children's skeptical attorneys. Real tired and real disappointed!

After spending a majority of my working life working to do this for you and your brothers, I find all of you sitting on the fence instead of standing by my side and wholeheartedly supporting me. What I find most "troubling" is the total disregard that all of you seem to have for all of those that have made all of this possible. What I also find troubling is that I now find myself and Jackie, both in our sixties, facing the possibility of potentially being left with very little to show for all of the efforts and personal sacrifices we have made on behalf of you and your brothers.

I hope this has sufficiently addressed all of Trevor's bullshit that you find "troubling."

Dad

EXHIBIT 2

EXHIBIT 2

Morgan Bogumil

From: Ken Gross <kengross@cfl.rr.com>
Sent: Tuesday, October 27, 2009 4:22 PM
To: Laughton, Cliff
Subject: Draft response to Chris
Attachments: Response to Chris.doc

Let's discuss.

Ke

Please confirm whether or not the following statements are factually correct. If there is additional information that is necessary to clarify any of these statements please include that information, or if you do not have sufficient information to either confirm or deny that such statement is correct please indicate that as well.

- Together the Holding Companies have total assets of approximately sixty million dollars (\$60,000,000.00). These assets are largely comprised of business ventures, real estate, and other assets held by sub-entities owned by the Holding Companies. Generally true although the 60 Million figure came from Baldwin's affidavit. If we were to appraise the fair market value of all assets today, the total would likely be considerably less.
- J.M. Lang Corp. is a Nevada S-corporation. It holds a thirty-three percent (33%) membership interest in each of HH Hawaii and HH Nevada. All of its issued and outstanding shares are owned by the irrevocable JML Beneficial Trust, dated December 31, 2000 whose sole vested beneficiary is Jeffrey A. Lang. (Jeffrey Lang is a 46-year old Illinois citizen and is the eldest of Clifford Laughton's children.) The settler of the JML Beneficial Trust was Laughton, who served as trustee until July 22, 2009, on which date the designated Trust Protector of that trust, Baldwin, removed Laughton as trustee and appointed Vernon Woo as successor trustee. An action has been filed in probate court to protect and preserve the trust documents. Generally true however we believe Woo is a "purported" trust protector. Also, the petition in probate court was primarily to confirm Woo as the successor trustee.
- Collectively the JML Beneficial Trust, SAL Beneficial Trust, and MAL Beneficial Trust are referred to herein as the "Beneficial Trusts." True
- CL MGT. CORP. is a Nevada corporation. All of its issued and outstanding shares are bearer shares held in a safe accessible only by Laughton, at its principle place of business. CL MGT.'s President is Laughton and its directors are Laughton and Baldwin. Its principal place of business is the penthouse of the Executive Center in downtown Honolulu, located at 1099 Bishop Street, Suite 4100, Honolulu, Hawaii 96813. The shares of CL Mgt are held by Laughton personally.
- CL FINANCIAL SERVICES, INC. is a Nevada corporation. All of its issued and outstanding shares are owned by Laughton and the Beneficial Trusts (2000 Trusts). CL FINANCIAL SERVICES, INC.'s President is Laughton and its directors are Laughton and Baldwin. Its principal place of business is the penthouse of the Executive Center in downtown Honolulu, located at 1099 Bishop Street, Suite 4100, Honolulu, Hawaii 96813. CL FINANCIAL SERVICES, INC. is controlled by Laughton, it provides accounting, bookkeeping and management services for the Beneficial Trusts and for CL MGT. CORP., and it employs the individuals who perform those services.

- Laughton is 65-years old and domiciled in the City and Count of Honolulu. Cliff is domiciled in Reno, Nevada.
- Hawaii Holdings, LLC is a limited liability company organized in Hawaii ("HH Hawaii") with its Its principal place of business is the penthouse of the Executive Center in downtown Honolulu , located at 1099 Bishop Street, Suite 4100 , Honolulu , Hawaii 96813 True.
- Another entity with the same name of Hawaii Holdings LLC ("HH Nevada") – formerly known as Nevada Holdings LLC – is a limited liability company organized in Nevada and registered as a foreign limited liability company in Hawaii, with its principal place of business is the penthouse of the Executive Center in downtown Honolulu, located at 1099 Bishop Street, Suite 4100, Honolulu, Hawaii 96813. True
- HH Hawaii and HH Nevada (collectively the "Holding Companies" and each a "Holding Company") are each owned ninety-nine percent (99%) by the S-corporations, and one percent (1%) by CL MGT. CORP. CL MGT. CORP. is the sole managing member of each Holding Company. As manager CL MGT. CORP.. controls the Holding Companies and their assets, including the sub-entities owned and controlled by the Holding Companies. True
- Combined, the Holding Companies have total assets currently valued at approximately \$60 Million, comprised of a variety of business ventures operated by sub-entities, and a number of real estate investments and other assets. Again, the \$60 million figure appears to be overvalued

EXHIBIT 3

EXHIBIT 3

Emails

Email Subject: **Re: Jacqueline Takeshita Trust**
From: Melissa Hartman <mth@renolegal.com>
To: Brian Simmons <bsimmons@premiertrust.com>
CC: Clifford Laughton <laughton@att.net>, Richard Schulze, Esq.
<rps@renolegal.com>

Email	Recorded	Modify
Date:	On:	Date:
10/16/12	4/27/21	4/27/21

Content:

Dear Brian:

I had to lighten up the scanned copy of the driver's license that was sent to me.

My apologies for the delay, I am going to get this to you now. Let me know if this is a good enough copy.

Best wishes,

Â

Melissa T. Hartman

Your Local U.S. Senior Vets Volunteer Advocate

[Schulze Law Group](#)
[140 West Huffaker Lane, Suite 510](#)
[Reno, NV 89511](#)
[Tel: 775-853-5700](#)
[Fax: 775-853-5588](#)
[www.renolegal.com](#)
[www.USSeniorVets.com](#)

On Oct 16, 2012, at 12:04 PM, Richard Schulze, Esq. wrote:
Brian,

I am working on this now.

Rich

Richard P. Schulze, JD, MBA
Schulze Law Group
140 West Huffaker Lane, Suite 510
Reno, NV 89511
Tel: 775-853-5700
Fax: 775-853-5588

Â

IMPORTANT NOTICES AND DISCLOSURES:Â

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Privacy Notice:

Our email is private. Â It mayÂ also be privileged. Â If this email is notÂ addressed to you, or if you are not the agentÂ or employee of the person to whom it isÂ addressed, please notify me by reply emailÂ and delete this email and any attachment.Â Â You are not authorized to keep this email orÂ any attachment or to use them in any way.Â Â

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Circular 230 Disclosure:

As required byÂ recently-issued U.S. Treasury DepartmentÂ regulations, you are advised Â that, unlessÂ otherwise expressly stated, any federal taxÂ advice contained in this email, including anyÂ attachment, is not intended or written to beÂ used, and may not be used, for the purpose ofÂ (1) avoiding tax-related penalties under theÂ Internal Revenue Code or (2) promoting,Â marketing or recommending to another partyÂ any tax-related matter addressed in this emailÂ or any attachment.

Â

When We Don't Represent You: Â

Even if thisÂ email is addressed to you, we don't representÂ you, unless and until we have agreed toÂ represent you. Â Any such agreement must beÂ stated clearly and in writing, which Â includes aÂ fax or an email. Â It must be sent to you by orÂ on behalf of one of our lawyers and you mustÂ agree to it, also in writing.Â

Â

When Not to Send Us ConfidentialÂ Information: Â

When we don't represent you,Â don't send us any confidential information byÂ email or any other way.

Â

When Email Not Legal Advice: Â

When we don'tÂ represent you, whatever we say in our email,Â including any attachment, whether helpful orÂ harmful, is not legal advice, and you can't relyÂ on it.Â Â

Â

Information on Website Not Legal Advice:Â Â

Whether we represent you or don't, whateverÂ we put on our website, whether helpful orÂ harmful, is not legal advice, and you can't relyÂ on it.Â

Â

Computer Viruses and Other Bad Things: Â

WeÂ try to keep our email, any attachment and ourÂ computer system free of viruses and otherÂ harmful things, but nothing is perfect, andÂ you should use Â good anti-virus and firewallÂ programs.

Â

On Oct 16, 2012, at 11:24 AM, Brian Simmons <bsimmons@premiertrust.com> wrote:

Rich,

Â

I need a legible copy of Cliffordâ€™s Driverâ€™s License before we can run our check on him.

Â

I cannot sign to accept until that is completed.

Â

Thank you,

Â

Â

<image002.jpg>*Brian Simmons, CFPÂ®*

Trust Officer

Â

Â

<image003.jpg>

4465 South Jones Boulevard
Las Vegas, Nevada Â 89103
Phone (702) 507-0750Â -Â Fax (702) 507-0755
bsimmons@premiertrust.com

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From:Â Richard Schulze, Esq. [<mailto:rps@renolegal.com>]

Sent:Â Tuesday, October 16, 2012 9:52 AM

To:Â Brian Simmons

Cc:Â Melissa Hartman; Clifford Laughton;Â jackiet808@gmail.com

Subject:Â Jacqueline Takeshita Trust

Â

Good morning Brian,

Â

Attached are the documents which are required for Premier Trust to open an account of the Jacqueline L. Takeshita Irrevocable Trust. Â I have also attached a document (in MS Word format) for you to sign on behalf of Premier Trust accepting trusteeship. Â Will you please sign this and return a PDF copy to me for delivery to Bank of Hawaii (the former trustee)?

Â

Please let me know if additional information is required to open the account or if I can be of assistance in any way.

Â

Rich

NEVADA

DRIVER LICENSE

LIC# 0801107164 EXPIRES 11-26-2008

SSN	CLASS	ENDORSE	RESTRICTIONS
223-60-6435	C		

BIRTH DATE	SEX	HEIGHT	WEIGHT	EYES	HAIR
11-26-1943	M	5'00"	190	BLU	BRO

LAUGHTON, CLIFFORD
18124 WEDGE PKWY #456
RENO, NV 89511

Front

CLIFFORD LAUGHTON
18124 WEDGE PKWY #456
RENO, NV 89511

CLASSES:
C-Cars/Vans/Pickups; may tow <10,000 lbs

ENDORSEMENTS:
None

RESTRICTIONS:
None

LAUGHTON, CLIFFORD
18124 WEDGE PKWY # 456 RENO NV 89511-8134

DLN: 0801107164

ISSUED: 10-23-2008

EXPIRES: 11-26-2012



back

VALIDATED

SEP 18 2012

Department of
Motor Vehicles

EXHIBIT 4

EXHIBIT 4

Reid Tatsuguchi

From: Ann Rafael-Straka <annbutay@aol.com>
Sent: Saturday, August 10, 2013 1:13 PM
To: reid@tatscpa.com
Subject: Fwd: Clifford Laughton - questions for 2012

Hi Reid,

Answer to Question 10 a) \$3,800. ^{4/1}4/5

Thank you.

Ann Rafael-Straka
Hawaii Holdings, LLC
1088 Bishop Street, Suite 4100
Honolulu, HI 96813
Main Line: 808 523-5000
Direct Line: 808 550-0110
Facsimile No: 808 523-5010

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-----Original Message-----

From: Ann Rafael-Straka <annbutay@aol.com>
To: reid <reid@tatscpa.com>
Sent: Thu, Aug 8, 2013 9:52 pm
Subject: Re: Clifford Laughton - questions for 2012

- 1) November 26, 1943 ¹1
- 2) He is a resident of Nevada. He comes to Hawaii to visit does not stay more than three months
- 3) 18124 Wedge Pkwy #456, Reno, NV 89511 ¹1
- 4) His ex wife *le*
- 5) 50/50
- 6) 50/50
- 7) Understood
- 8) Mr. Laughton
- 9) Yes
- 10) a. Will get back to you
b. Rented seperately
c. Please use yours

2 ¹1-2 8/12/13

TCPA00007

11) Yes

12) Refund check - no direct deposit

13) I can pick up. Please let me know when its ready.

Thank you.

Ann Rafael-Straka
Hawaii Holdings, LLC
1088 Bishop Street, Suite 4100
Honolulu, HI 96813
Main Line: 808 523-5000
Direct Line: 808 550-0110
Facsimile No: 808 523-5010

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-----Original Message-----

From: Reid Tatsuguchi <reid@tatscpa.com>
To: Ann Rafael-Straka <annbutay@aol.com>
Sent: Thu, Aug 8, 2013 12:01 pm
Subject: Clifford Laughton - questions for 2012

Hi Ann,

Sorry for the delay. I have a few questions:

1. Mr. Laughton's DOB.
2. When did he move to Hawaii?
3. Please confirm his current address is 619 Puuikena Dr.
4. Who is Jacqueline Takeshita? She's listed as an owner or co-owner in 619 Puuikena Dr.
5. Who made all the mortgage payments to FHB for this property? Does Mr. Laughton wish to claim 100% or will Ms. Takeshita claim a portion? If yes, how much will she claim?
6. I have a similar question about the property taxes paid for 619 Puuikena Dr. Does Mr. Laughton wish to claim 100% or will Ms. Takeshita claim a portion? If yes, how much will she claim?
7. I should let you know that however the mortgage interest deduction is split, Mr. Laughton cannot claim 100%. Only interest on a maximum mortgage amount of \$1,100,000.00 is tax-deductible. Any mortgage interest related to the loan over this amount is not tax-deductible.
8. PBS Hawaii donation of \$235.16. It's addressed to Clifford Laughton of Hawaii Holdings LLC - does this mean it'll be deducted by Hawaii Holdings LLC or on Mr. Laughton's personal tax return? It can only be deducted on one tax return.
9. AmEx year-end summary. The only possible deduction I see is a \$440.00 charge to PBS Hawaii on 11/30/12? Is this a charitable donation?
10. Executive Centre Apartments LLC. I have a few questions. I'm going to use the numbers provided, but I do have a few questions:

9 ² (441) 8/12/13

TCPA00008

a. Legal fees. Normally, those costs associated with forming the LLC need to be capitalized and amortized. Is there any here?

b. Parking stalls. Is this being rented out separately from the units themselves? Or are they tied to the units being rented out?

c. I arrived at a different depreciation expense amount - for tax purposes, depreciation is computed on a mid-month basis. Meaning, regardless of what day of the month it is placed in service, only half a month is depreciated for the first month. The computation you showed to me was based on the actual days. I come out with a slightly higher amount - \$93,045.27, not \$90,896.67. I can override it and use your numbers if you wish.

d. Has the annual GET & TAT returns been filed for 2012?

11. Is this the only LLC that Mr. Laughton owns 100%? I want to be sure nothing else needs to be reported on his 2012 tax return.

12. Currently, I show that he will be getting a tax refund for 2012. If he wants direct deposit, I will need a copy of a voided check or deposit slip.

13. When the tax return is done, where do you want it mailed? If you want to pick it up, I will let you know when it's done first and then we can arrange a pick-up date.

If you have any questions, please do not hesitate to call or e-mail me.

Sincerely,

Reid Tatsuguchi
Tatsuguchi CPA LLC
1314 S King St Ste 662
Honolulu, HI 96814
(808)589-2100 - office
(808)589-2101 - fax

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9 ³ (A-2/2) 8/12/13

TCPA00009

Reid Tatsuguchi

From: Ann Rafael-Straka <rafael-straka@hihold.com>
Sent: Sunday, June 08, 2014 9:52 AM
To: Reid Tatsuguchi
Subject: Re: Charles Laughton - questions for 2013

Hi Reid,

1) Mr. Laughton is a part year resident of Hawaii. *de*

2) None *de*

3) Bank of America Checking #004960310784 ABA #122400724 *(1)*

4) Yes *k*

5) a. \$79,80 Medical Expense. There are a couple of medical expenses but not enough to claim a deduction.

b. None *de*

Thank you.

—
Ann Rafael-Straka

Hawaii Holdings, LLC, Nevada Holdings, Ltd Executive Centre Apartments, LLC
179 Sand Island Warehouse, LLC
1088 Bishop Street, Suite 4100
Honolulu, HI 96813
Phone No: 808 523-5000
Facsimile No: 808-523-5010

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On 2014-06-05 17:02, Reid Tatsuguchi wrote:

> Hi. Had a few questions:

>

> 1. Please confirm he's an NV resident. I think it's a bit weird and

> I'm thinking the State of Hawaii might as well - his W-2 has Hawaii

> taxes withheld, Executive Centre Apartments LLC's income & expenses is

> also Hawaii-source and his home mortgage is also in Hawaii.

>

> 2. Did he have any charitable deductions in 2013?

>

k (12) 6/9/14

> 3. Direct deposit. It looks like he'll be getting a Federal tax
> refund. If he wants direct deposit, then I'll need his bank's name,
> account number and if it's a checking or savings account.
>
> 4. His occupation is listed as "Administrator" for 2012. Is it the
> same for 2013?
>
> 5. You gave me Mr. Laughton's Amex 2013 Year-End Summary. The only
> thing highlighted is an 11/11/13 charge for \$79.80 to the Mayo Med.
> Prod Bsns Oro.
>
> a. Is this a medical expense?
> b. Is there anything else in this summary I need to know?
>
> If you have any questions, please do not hesitate to call or e-mail
> me.
>
> Sincerely,
>
> Reid Tatsuguchi
> Tatsuguchi CPA LLC
> 1314 S King St Ste 662
> Honolulu, HI 96814
> (808)589-2100 - office
> (808)589-2101 - fax
>
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7 (AZ) 4/1/14

EXHIBIT 5

EXHIBIT 5

Ken Gross

To: Gross, Ken
Subject: FW: Nevada voter registration

From: **Clifford Laughton** <cliffordlaughton@rocketmail.com>
Date: Thu, Jan 7, 2016 at 9:30 AM
Subject: Re: Nevada voter registration
To: Ann Rafael-Straka <rafael-straka@hihold.com>

Great, m'dear. These need to be kept active always. I am going to use Rich Schulze 's home as my residence address. With his permission, of course.

Thanks

Cliff

----- Original message -----

From: Ann Rafael-Straka <rafael-straka@hihold.com>
Date: 01/07/2016 8:49 AM (GMT-10:00)
To: Clifford Laughton <cliffordlaughton@rocketmail.com>
Subject: Re: Nevada voter registration

Business: 775-337-2660 (Number is call forwarded to Office 808-523-5000)

Residence: 775-849-9220 (Number is call forwarded to your cell 808-295-2200)

Cell: 775-741-7500 (No idea where this cell phone is located but number is working and we have been paying the account)

Thanks
Ann

Ann Rafael-Straka
Hawaii Holdings, LLC
1088 Bishop Street, Suite 4100
Honolulu, HI 96813
Phone No: 808-523-5000
Facsimile No: 808-523-5010
Email: rafael-straka@hihold.com

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EXHIBIT 6

EXHIBIT 6

Fwd: HPMI - Affidavit

From: Clifford Laughton (cliffordlaughton@rocketmail.com)
To: laughton@att.net
Date: Saturday, September 1, 2018, 05:54 PM PDT

----- Original message -----

From: Ann Rafael-Straka <rafael-straka@hihold.com>
Date: 8/31/18 08:52 (GMT-10:00)
To: Cliff Laughton <cliffordlaughton@rocketmail.com>
Subject: Fwd: HPMI - Affidavit

Resending

Ann

Ann Rafael-Straka
Hawaii Holdings, LLC
1088 Bishop Street, Suite 4100
Honolulu, HI 96813
Phone No: 808-523-5000
Facsimile No: 808-523-5010
Email: rafael-straka@hihold.com

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----- Forwarded message -----

From: **Ann Rafael-Straka** <rafael-straka@hihold.com>
Date: Wed, Jul 25, 2018 at 5:45 PM
Subject: Fwd: HPMI - Affidavit
To: Cliff Laughton <cliffordlaughton@rocketmail.com>
Cc: Ken Gross <kengross@cfl.rr.com>

Hi Cliff,

I'm resending the Hawaii PMI affidavit to you. Ken said it is very important to get this done. Do you want me to make arrangements for a notary to go to your home or are you going to stop by the bank on your way to get your blood work?

Ann

Ann Rafael-Straka
Hawaii Holdings, LLC
1088 Bishop Street, Suite 4100
Honolulu, HI 96813
Phone No: 808-523-5000
Facsimile No: 808-523-5010
Email: rafael-straka@hihold.com

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----- Forwarded message -----

From: **Ken Gross** <kengross@cfl.rr.com>
Date: Mon, Jul 23, 2018 at 12:09 PM
Subject: HPMI - Affidavit
To: "Laughton, Clifford" <cliffordlaughton@rocketmail.com>
Cc: "Rafael-Straka, Ann" <rafael-straka@hihold.com>

Hello Cliff – As we discussed today, I have revised the HPMI affidavit. In addition to the wording changes we discussed, I also rewrote the final paragraph 23. Please take a look at this at your earliest convenience. If it looks ok, please try to get it signed and notarized.

Thanks,

Ken



HPMI - Affidavit of CL (2).doc
45kB

AFFIDAVIT OF CLIFFORD LAUGHTON

STATE OF HAWAII)
)
CITY AND COUNTY OF HONOLULU)

I, Clifford Laughton, being first duly sworn on oath, depose and say as follows:

1. I am a resident of the cities of Reno, Nevada, Chicago, Illinois and Honolulu, Hawaii. I am domiciled in Reno, Nevada.

2. This affidavit is made on personal knowledge and belief. I am physically and mentally competent to testify to the matters stated herein. My personal knowledge of the matters stated herein was derived either by my direct participation in and witnessing of the matters described or as a result of my positions and the nature of my participation in the entities involved and/or with the individuals involved and the events described herein.

3. I am currently the sole Owner, President, and Chief Executive Officer of Hawaii Holdings, LLC located at Executive Center, Suite 4100, 1088 Bishop Street, Honolulu, Hawaii 96813 (“HH”).

4. HH has been the majority owner of Hawaii PMI, LLC, a Hawaii limited liability company (“HPMI”), from the date of its formation in 2005 until the present, and is likely to remain the majority owner of Hawaii PMI, LLC for the foreseeable future.

5. HPMI was formed in August 2005 for the primary purpose of loaning funds to Kalakaua Pavilion Partners LLC, a Hawaii limited liability company (“KPP”) for the purpose of funding a project to acquire, renovate, and then sell a commercial condominium unit in “The Pavilion At Waikiki” in Honolulu, Hawaii. The capital for the loan of \$3,700,000 was provided by HH in the amount of \$2,220,000 and by 3M Investments Inc. in the amount of \$1,480,000.

6. At the outset of this project, it was the intent and understanding of all parties that this investment would last only about 18 months, by which time the loan would be fully repaid, and HPMI would be liquidated. Both the Term Sheet and Promissory Note establish the term of the loan as 18 months.

7. To my frustration, 13 years have passed since the formation and funding of HPMI, and there is no end in sight. In the meantime, I have become aware of certain discrepancies between the business arrangement I authorized in 2005 and the project's documentation. These discrepancies serve to provide an undisclosed and substantial financial advantage to Mr. Ronald P. Baldwin at the cost of the investors. It is my belief

that these discrepancies constitute either an egregious error or a fraud perpetrated by Mr. Baldwin against HH.

8. In 2005, the year in which HPMI was formed, Mr. Baldwin served as the Chief Financial Officer of HH, and was a trusted officer of the company. Mr. Baldwin was a licensed CPA working part-time for HH and also part-time as a tax accountant for the accounting firm of Sterling & Tucker in Honolulu. Among his financial duties as CFO of HH, Mr. Baldwin's position with HH included the role of evaluating various new investment opportunities for the company.

9. It was Mr. Baldwin who brought the HPMI project to my attention, and persuaded me that HPMI presented a good opportunity to earn 12% interest per year (plus a closing fee and an exit fee) on a collateralized loan. The project was characterized as a short-term "remodel and flip" real estate deal. As further assurance that this project represented a sound investment, Mr. Baldwin offered to serve as the Manager of the project, thereby overseeing the progress and stability of this investment.

10. As a success fee for bringing this risk-free opportunity to HH, and for serving as the Manager of the project, I agreed to pay Mr. Baldwin a success fee at the conclusion of the project equal to 6% of the net profits. Since HH contributed 60% of the capital needed to finance the loan to KPP, Mr. Baldwin's success fee would comprise 10% of HH's net profit from the project.

11. It was my understanding that if the project lasted 18 months, the initial term of the loan, and HH received full repayment of its principal at the conclusion of the term, HH would have profited 1% per month for 18 months, for a total of roughly \$400,000. Mr. Baldwin's bonus of 10% would have been roughly \$40,000.

12. After I verbally authorized Mr. Baldwin's proposal and his success fee, I trusted him to prepare and execute all the necessary documents. Both the Operating Agreement and the Term Sheet show that Mr. Baldwin signed on behalf of himself, and also signed on behalf of HH as an authorized officer. Although I verbally approved the HPMI project, as well as the success fee for Mr. Baldwin of 6% of the net profit, I never reviewed, approved, or signed any of the documentation prepared by Mr. Baldwin.

13. During the next several years, my chronic medical condition continued to worsen, and I came to rely heavily on Mr. Baldwin in the running of HH, including the HPMI project. My doctors believed that I had contracted a serious degenerative disease which appeared to be life-threatening. For a period of time, some of my doctors thought I had contracted ALS, while other doctors were uncertain about the diagnosis. This resulted in a major distraction from my duties as the President of HH. I was, at times, undergoing batteries of testing, using experimental medications, seeing different types of doctors in different locations, and was preoccupied with my affliction. These were trying years, and my illness required that I place a great deal of trust in Mr. Baldwin who had become a full-time member of my staff and a trusted confidant. I provided Mr. Baldwin with an ever increasing amount of responsibility in connection with the company's

investments, and a corresponding amount of independent authority commensurate with his position as CFO, as I attended to my medical condition. Although I was available to discuss major decisions, most of the day-to-day business decisions were left to Mr. Baldwin. His assigned responsibilities included due diligence in connection with all our business arrangements.

14. As the years passed, my medical condition continued to defy a definitive diagnosis. The doctors eventually agreed that I did not have ALS, but they were uncertain about the cause of my most serious symptoms. By 2009, I had two major surgeries on my spine for nerve-related symptoms, and I was being treated for type II diabetes and atherosclerosis. My ability to control my motor skills continued to deteriorate to the point that I was no longer able to walk without a walker. Travel became extremely difficult for me, and I required regular assistance from an assistant or nurse.

15. During this same period 2008-2009, the US economy experienced the great recession which deeply undercut the value of HH's assets. With a large portion of its portfolio invested in real estate, the overall value of HH's assets experienced a substantial decline. In addition, I came to realize that the company's financial problems also resulted from a number of poor business decisions made by Mr. Baldwin, which he had concealed from me. Once this came to my attention, I questioned Mr. Baldwin's judgment with respect to numerous matters and was forced to suspend Mr. Baldwin from his position as Chief Financial Officer of HH in the spring of 2009. He was ultimately terminated later that year.

16. The rift that developed between myself and Mr. Baldwin had very serious consequences. In an effort to strike a retaliatory blow, Mr. Baldwin filed a lawsuit against me which temporarily arrested control of the company. The lawsuit was ultimately settled in 2011 following two years of very costly litigation, disruption to the operations of the company, and a loss of critical company documentation.

17. The final settlement agreement, dated April 2013, resolved most of the issues that were raised, but excluded HPMI from the scope of the settlement. Mr. Baldwin was not required to forfeit his position or financial interest in HPMI, but also was not released from potential liability arising from his role in HPMI. As a result, Mr. Baldwin has continued to serve in the position of Manager. He manages the project as his own with little or no input from HH. For example, during 2010, Mr. Baldwin entered into three new agreements -- Property Management Agreement, Leasing Agreement, and Beall Corporation Listing Agreement. In each case the documentation shows that Mr. Baldwin signed the agreements in his capacity as Manager of HPMI. I never reviewed, approved, or signed these documents.

18. As of the writing of this Affidavit in July 2018, I am uncertain when a new Manager will be appointed to replace Mr. Baldwin, and when the HPMI project will be finally concluded. I anticipate that Mr. Baldwin may wish to continue managing the project as long as he is physically and mentally able to do so. With my continued health

issues, I am uncertain whether I will be available to express my recollections about the financial interests of the parties at the time the HPMI project is finally concluded. For this reason, I have conducted a review of the project and have decided to document my current thinking in this Affidavit. I am hopeful that this Affidavit will be presented at the conclusion of the HPMI project, or at the conclusion of Mr. Baldwin's role as Manager of HPMI, to help reach a final reconciliation of Mr. Baldwin's financial interest in the project.

19. Following my review of available documents, I have come to believe that Mr. Baldwin's documentation contains critical discrepancies which constitute either an egregious error or a fraud intentionally perpetrated by Mr. Baldwin. Essentially, Mr. Baldwin wrote the Operating Agreement and Term Sheet in a manner which gave himself a 6% ownership interest in the project at its outset in 2005, instead of a right to collect the success fee I offered to him equal to 6% of the net profits at the conclusion of the project.

20. I have come to understand that the loan HPMI granted to KPP was a non-recourse loan with only the value of the leasehold interest in real estate as collateral to secure the loan. Unfortunately, the borrower, KPP, has defaulted on the loan and the collateral has declined in value. Using current market values, it now appears that upon sale of the leasehold interest in the renovated condominium unit in "The Pavilion At Waikiki" and final liquidation of HPMI, HH will lose a substantial portion of its initial investment, and there will be no profits to distribute.

21. With no profits at the end of the project, there should be no success fee for Mr. Baldwin. As the collateral declined in value, Mr. Baldwin's claim to a 6% share of the net profits slowly evaporated. On the other hand, a 6% ownership interest would give Mr. Baldwin a windfall equal to 6% of the residual value of the company. If the property is sold for \$2.5 million, Mr. Baldwin's payout would be \$150,000 at the same time that the capital investors would receive less than 2/3 of their initial investments. And this would occur despite the fact that Mr. Baldwin contributed no initial capital, and in fact misrepresented the value of the collateral standing behind the loan.

22. The occurrence of an egregious error or fraud of Mr. Baldwin is supported by three principal matters: (1) the documentation for the project is contrary to my distinct memory of the financial arrangement which is hereby recorded under oath; (2) the documentation establishing the HPMI project does not bear my signature -- it was signed only by Mr. Baldwin on behalf of HH; and (3) Mr. Baldwin's claimed transfer of ownership interest in HPMI would have occurred in 2005 and would have been worth 6% of the value of the company or roughly \$220,000. The transfer would have constituted taxable compensation to Mr. Baldwin in 2005, yet the tax records prepared by Mr. Baldwin tell a different story. Mr. Baldwin never reported this amount as income on his 2005 personal tax return, and HH never claimed this as a deduction on its 2005 tax return. Both of these tax returns were prepared under the supervision of Mr. Baldwin. If there was no taxable compensation in 2005 reported by Mr. Baldwin, and no deduction claimed by HH, the only logical conclusion is that there was never a transfer of ownership, only a promise of a 6% share of net profits at the conclusion of the project.

23. Finally, I am now aware that during the period 2005 to 2018, Mr. Baldwin paid himself a 6% share of the monthly distributions to owners of HPMI based on the rent collected from tenants. While I believe that Mr. Baldwin had no legal right to receive these payments in the early years, I also recognize that for many years he has provided, and is currently providing, ongoing services as the Manager of the company. For this work I believe that he deserves reasonable compensation. Accordingly, I have decided not to contest Mr. Baldwin's receipt of these payments as long as Mr. Baldwin continues to serve as the Manager. In addition, I am not inclined to pursue repayment of any portion of these amounts, dating back to 2005, provided that Mr. Baldwin, or his estate, agrees to forego any final payout when the project is completed, and provided that the parties can settle this matter without litigation.

Clifford Laughton

Subscribed and sworn to before me this ____ day of _____, 2018

Signature of Notary: _____

Print Name of Notary: _____

Notary Public, State of Hawaii

My commission expires: _____

EXHIBIT 7

EXHIBIT 7

AGREEMENT

This Agreement is made and entered into this 15th day of October, 2020 by and between the Laughton Living Trust (the "Trust") on one side, and Ann Rafael-Straka on the other side, for the purpose of resolving issues relating to the ownership of certain assets previously owned by Clifford Laughton. The Trust and Ann are collectively referred to herein as the "Parties."

RECITALS

WHEREAS, Clifford Laughton passed away on July 13, 2020 at the age of 76;

WHEREAS, the Laughton Living Trust ("the Trust") is represented by three Trustees, Richard Schulze, Richard Caifano, and Ann Rafael-Straka;

WHEREAS, Ann Rafael-Straka has recused herself from representing the Trust in connection with this Agreement, and is represented by Kenneth Gross, Esq.;


WHEREAS, for the sole purposes of resolving the ownership of the assets whose ownership is designated as resolved through this Agreement and without waiving any future assertion of rights in general and specifically as to the assets whose ownership is not resolved hereby, the Parties have waived the conflicts of interest arising as a result of Kenneth Gross having been one of the personal attorneys to Clifford Laughton and serving as one of the attorneys of the entities whose ownership is resolved in this Agreement;

WHEREAS, in 2000, Clifford Laughton formed a Nevada Corporation called CL MGT. CORP. ("CL Mgt"), holding the positions of President and Director;

WHEREAS, Ann Rafael-Straka also served as a Director and Officer of CL Mgt with knowledge of corporate actions and activities and has disclosed all information known to her regarding the ownership of the assets and entities discussed herein;

WHEREAS, neither of Richard Schulze nor Richard Caifano have full knowledge of the operations and management of the entities described herein and are relying upon such documents as have been made available to them or they may have in their possession and such additional representations that have been made by Ann, individually and in her capacity as a shareholder, director, member or officer of any of the entities;

WHEREAS, in 2000 and 2001, Clifford Laughton formed two limited liability companies which came to be known as Hawaii Holdings, LLC (Hawaii), a Hawaii limited liability company, and Hawaii Holdings, LLC (Nevada), a Nevada limited liability company;

WHEREAS, prior to his death, Clifford Laughton ("Cliff") made a gift of 100% of the issued and outstanding stock of CL Mgt Corp, a Nevada corporation to Ann Rafael-Straka ("Ann"). It is conclusively presumed that as a result of this gift, Ann is the owner of 100% of the issued and outstanding stock of CL Mgt. Corp and sole owner of CL Mgt Corp; 

WHEREAS, the Parties have engaged in negotiations to determine ownership of certain assets owned or managed by Clifford Laughton prior to his death;

WHEREAS, each of the Trust and Ann have made a full and fair disclosure of all facts known to each of them relevant to the resolution of the ownership of the assets discussed herein;

WHEREAS, the Parties now wish to memorialize this partial resolution of the ownership of certain assets owned and/or managed by Clifford Laughton prior to his death.

NOW, THEREFORE, in consideration of the foregoing and the agreements set forth in this Agreement, the Parties hereto, intending to be legally bound, agree as follows:

1. **Hawaii Holdings, LLC (Hawaii)**

At the time of the gift to Ann of the CL Mgt share certificates, it is agreed that Hawaii Holdings, LLC (Hawaii) and all its assets and liabilities at the time of the gift (January 1, 2020) were owned 100% by CL Mgt, and not by Clifford Laughton personally or by the Trust. The following assets and companies are owned by Hawaii Holdings, LLC (Hawaii) and were owned by Hawaii Holdings, LLC (Hawaii) on and before January 1, 2020:

- Loan to Dennis Mee Lee
- Growers Secret, *Grower's Secret, Inc.*
- Hawaii PMI, *Hawaii PMI, LLC*
- Interactive Content Engines, *Interactive Content Engines, LLC*
- Kohanaiki, *Kohanaiki Properties, LLC*
- Lurline, *The Vessel Lurline, LLC*

2. **Hawaii Holdings, LLC (Nevada)**

At the time of the gift to Ann of the CL Mgt share certificates, it is agreed that Hawaii Holdings, LLC (Nevada) and all its assets and liabilities at the time of the gift (January 1, 2020) were owned 100% by CL Mgt, and not by Clifford Laughton personally or by the Trust. The following assets and companies are owned by Hawaii Holdings, LLC (Nevada) and were owned by Hawaii Holdings, LLC (Nevada) on and before January 1, 2020:

- Cambodia Undeveloped Property, *Laughton Investment Co., Ltd*
- Account Receivable for Glass Ewald
- Undeveloped parcels located at 6603 Gebser Court and 20123 Bordeaux Drive in Reno, NV, *Hawaii Holdings, LLC (NV)*



3. **Assets Owned by the Estate.** The following assets shall be conclusively presumed to be owned by the Estate:

- Executive Centre Holdings, LLC, a Nevada limited liability company, and Executive Centre Apartments, LLC, a Nevada limited liability company.
- Nevada Holdings, Ltd., a Nevada corporation.
- Items titled in the sole name of Clifford Laughton (e.g., the residence located at 611 Puuikena Drive, Honolulu, Hawaii) unless otherwise specified.

4. **Personal Property.** Some types of personal property are clearly owned by one of the aforementioned entities and are considered to be part of those entities. For other personal property which is not clearly owned by one of the aforementioned entities, the Parties hereby agree that any personal property used in the ongoing and daily business operations of any of Hawaii Holdings, LLC (Hawaii), Hawaii Holdings, LLC (Nevada), Executive Centre Holdings, LLC, Executive Centre Apartments, LLC, and their sub-entities, shall be considered to be owned by those companies. Any personal property which was not either clearly owned by one of the aforementioned entities, or used in the ongoing and daily business operations of the above companies, will be considered owned by the Estate. By way of example and not limitation, items owned by the Estate shall include gold coins (wherever located), Rolex watch, piano, personal artwork, and personal property held in storage with Christie's Fine Art Storage, etc.

5. **Effective Date.** The effective date of the change of ownership of the aforementioned companies and assets is agreed to be Midnight on December 31, 2019. Ann will prepare, for the review and approval of all Parties to this Agreement, an accounting of all revenues and expenses during the period Jan 1, 2020 – Present associated with the companies assets addressed by this Agreement. Once this process is completed, and all figures approved, there will be an exchange of funds to settle these accounts among their rightful owners. The Parties shall hold discussions to address the timing for this exchange of funds.

6. **Assets Whose Ownership is Disputed.** Ownership of the following entities remain in dispute:

- *La Noria 92, LLC*
- *Marina Sol A-314, LLC*
- *Fundadores 11, LLC*

7. **Continuing Discussions.** The Parties wish to amicably resolve their differences over the ownership of the three remaining disputed assets (La Noria 92, LLC; Marina Sol A-314, LLC and Fundadores 11, LLC) and agree to continue holding discussions in good faith in an effort to reach agreement.

8. **Full and Irrevocable Effect.** This Agreement shall have a full and irrevocable effect with respect to the assets addressed herein and whose ownership is designated as resolved



herein. The Parties acknowledge and agree that they may be irreparably damaged if any of the provisions of this Agreement are not fulfilled in accordance with their terms and that any breach of this Agreement may not be adequately compensated by monetary damages alone. Accordingly, in addition to any other right or remedy to which the Parties may be entitled at law or in equity, they shall be entitled to enforce any provision of this Agreement by injunctive relief and/or a decree of specific performance to prevent any breaches or threatened breaches.

9. **Implementation.** The Parties will at any time, and from time to time, upon request of any other Party, execute, acknowledge and deliver all such further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances as may be required to carry out the intent of this Agreement, provided, however, that this Agreement shall be deemed controlling as to the Parties' rights regardless of when or whether any such additional documents are executed .

10. **General Provisions**

A. **Entire Agreement, Modification, Amendments.** This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, whether written or oral, between the parties with respect to its subject matter. This Agreement may not be amended, supplemented, or otherwise modified except by a written agreement properly executed by all Parties.

B. **Governing Law.** This Agreement will be governed by and construed under the laws of the State of Nevada without regard to conflicts-of-laws principles that may require the application of any other law.


C. **Execution of Agreement.** This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by facsimile transmission or by scan-and-email shall constitute effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes. Signatures of the Parties transmitted in this way shall be deemed to be their original signatures for all purposes.

D. **Representation of Authority.** Unless otherwise stated herein, each Party represents that it has full authority to execute this Agreement and that all other Parties can rely upon this representation.

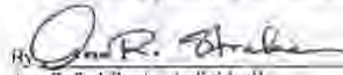
E. **Drafting / Interpretation.** The parties acknowledge and confirm that they and each of their respective attorneys have participated jointly in the review and revision of this Agreement and that it has not been written solely by counsel for one party. The parties stipulate and agree that the rule of construction to the effect that any ambiguities are to be or may be resolved against the drafting party shall not be employed in the interpretation of this Agreement to favor any Party against another. Specifically, the rule of "interpretation against the draftsman" shall not apply in any dispute over the interpretation of the terms of this Agreement

F. Representation by Counsel. Each party to this Agreement represents that he or she has read and understood each provision of this Agreement and has discussed this Agreement with legal counsel and/or such other professional as that Party may deem appropriate or has been provided with the opportunity to discuss this Agreement with legal counsel and/or such other professional as that Party may deem appropriate.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the year and date first above written.

By 
Richard Schulze, Trustee of the Laughon Living Trust

By 
Richard Caliano, Trustee for the Laughon Living Trust

By 
Ann Rafael-Straka, Individually

Addendum to Agreement

Each of Kenneth Gross, Richard Schulze and Richard Caifano have served as a personal attorney for Clifford Laughton and one or more of the various entities whose ownership is at issue in the Agreement dated October 15, 2020 between the Laughton Living Trust (the "Trust") on one side, and Ann Rafael-Straka (Ann) on the other side (the "Agreement"). The knowledge possessed by each of these attorneys has been used for the purpose of resolving issues relating to the ownership of certain assets previously owned by Clifford Laughton. Each has actively participated in the cooperative resolution of the dispute resolved by the Agreement. The assurances provided in this Addendum to Agreement are fundamental and integral to each of Ann and the Trust entering into the Agreement.

Richard Schulze has actively participated in the cooperative resolution of the dispute between the parties resolved by the Agreement. By signing below, Richard Schulze affirms he has been provided with such information and documents as he may deem necessary to adequately represent the trust estate of the Laughton Living Trust and allow the Laughton Living Trust to knowingly enter into the Agreement. By signing below, Richard Schulze affirms to his best knowledge and recollection, that there are no documents in his possession or known to him which contradict the ownership of assets as determined and resolved in the Agreement.

Richard Caifano has actively participated in the cooperative resolution of the dispute between the parties resolved by the Agreement. By signing below, Richard Caifano affirms he has been provided with such information and documents as he may deem necessary to adequately represent the trust estate of the Laughton Living Trust and allow the Laughton Living Trust to knowingly enter into the Agreement. By signing below, Richard Caifano affirms to his best knowledge and recollection, that there are no documents in his possession or known to him which contradict the ownership of assets as determined and resolved in the Agreement.

Kenneth Gross has actively participated in the cooperative resolution of the dispute between the parties resolved by the Agreement. By signing below, Kenneth Gross affirms he has been provided with such information and documents as he may deem necessary to adequately represent Ann and allow Ann to knowingly enter into the Agreement. By signing below, Kenneth Gross affirms to his best knowledge and recollection, that there are no documents in his possession or known to him which contradict the ownership of assets as determined and resolved in the Agreement.


Dated: October 15, 2020


Richard Schulze

Dated: October 15, 2020


Richard Caifano

Dated: October 15, 2020


Kenneth Gross

Addendum to Agreement

Each of Kenneth Gross, Richard Schulze and Richard Calfano have served as a personal attorney for Clifford Laughton and one or more of the various entities whose ownership is at issue in the Agreement dated October 15, 2020 between the Laughton Living Trust (the "Trust") on one side, and Ann Robert-Strales (Ann) on the other side (the "Agreement"). The knowledge possessed by each of these attorneys has been used for the purpose of resolving issues relating to the ownership of certain assets previously owned by Clifford Laughton. Each has actively participated in the cooperative resolution of the dispute resolved by the Agreement. The assurances provided in this Addendum to Agreement are fundamental and integral to each of Ann and the Trust entering into the Agreement.

Richard Schulze has actively participated in the cooperative resolution of the dispute between the parties resolved by the Agreement. By signing below, Richard Schulze affirms he has been provided with such information and documents as he may deem necessary to adequately represent the trust estate of the Laughton Living Trust and allow the Laughton Living Trust to knowingly enter into the Agreement. By signing below, Richard Schulze affirms to his best knowledge and recollection, that there are no documents in his possession or known to him which contradict the ownership of assets as determined and resolved in the Agreement.

Richard Calfano has actively participated in the cooperative resolution of the dispute between the parties resolved by the Agreement. By signing below, Richard Calfano affirms he has been provided with such information and documents as he may deem necessary to adequately represent the trust estate of the Laughton Living Trust and allow the Laughton Living Trust to knowingly enter into the Agreement. By signing below, Richard Calfano affirms to his best knowledge and recollection, that there are no documents in his possession or known to him which contradict the ownership of assets as determined and resolved in the Agreement.

Kenneth Gross has actively participated in the cooperative resolution of the dispute between the parties resolved by the Agreement. By signing below, Kenneth Gross affirms he has been provided with such information and documents as he may deem necessary to adequately represent Ann and allow Ann to knowingly enter into the Agreement. By signing below, Kenneth Gross affirms to his best knowledge and recollection, that there are no documents in his possession or known to him which contradict the ownership of assets as determined and resolved in the Agreement.

Dated: October 15, 2020

Richard Schulze

Dated: October 15, 2020


Richard Calfano

Dated: October 15, 2020

Kenneth Gross

EXHIBIT 8

EXHIBIT 8

From: Ken Gross kengross@cfl.rr.com 
Subject: Settlement Agreement
Date: October 12, 2020 at 9:09 AM
To: Richard Schulze rps@renolegal.com
Cc: Caifano, Richard caifanolaw@att.net, Gross, Ken kengross@cfl.rr.com



Hello Richard –

Attached is a redline of the draft Settlement Agreement you sent on Oct 11, 2020. Most of my changes are self-explanatory but a few deserve special mention.

On page 2 and 4, I deleted the references to approval by the Probate Court. The entire reason for informal discussions and a private settlement agreement is to avoid the more formal, expensive, and time consuming process of going to court. The transaction we are discussing was a gift occurring 7 months prior to death. The issues we are settling are the ramifications of that gift. If we can agree, there is no issue for the probate court to consider since the properties in question will either be in the Estate or outside the Estate. Besides that, we have refrained from taking issue with your decision to probate Cliff's estate in Nevada. If you pull our ownership issues into court, we will be forced to refute the court's jurisdiction on the grounds of residency. This issue is better left alone.

On page 2, I deleted the WHEREAS clause about my disclosures. Such a representation is inappropriate since I am not a party to the agreement.

On page 4, I made Personal Property a separate paragraph because the principle we are adopting applies to companies belonging to both sides.

On page 4, I reinserted the language about an accounting to address the period from Jan 1, 2020 to the date we divide the assets and start separate bookkeeping. This is necessary to implement the separation of ownership as of the end of 2019. It will likely result in an agreed account receivable which will be paid over an agreeable time period.

On page 5, I deleted the paragraph about representation. We already covered this in the fourth WHEREAS clause, and Ann's signature to the Agreement will indicate her understanding and approval. The rest of the language is repetitive of the other paragraphs.

Please call me today if you want to discuss. Otherwise, please send me a clean draft.

Ken



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EXHIBIT D

HUTCHISON & STEFFEN
A PROFESSIONAL LLC

Code: 4105

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Todd L. Moody (5430)
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rgeist@hutchlegal.com

Attorneys for Ann Rafael-Straka

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR THE COUNTY OF WASHOE, STATE OF NEVADA

In the matter of the estate of,

CLIFFORD LAUGHTON,

Deceased.

CASE NO.: PR20-00415
DEPT. NO.: 15

**SUPPLEMENTAL BRIEF TO REQUEST
FOR JUDICIAL REVIEW OF
RECOMMENDATION FOR ORDER TO
SET EVIDENTIARY HEARING ON
MOTION PURSUANT TO NRCP 53(f)(1)
AND WDCR 57.3(7)**

Hearing Date: August 16, 2021
Hearing Time: 1:30 p.m.

Ann Rafael-Straka (“Ann”), by and through her counsel of record, and pursuant to NRCP 53(f)(1) and WDCR 57.3(7) hereby supplements her *Request for Judicial Review of Recommendation for Order to Set Evidentiary Hearing on Motion* (“Request”) served and filed on July 7, 2021. No substantive objection was filed to the Request.¹ This Court set a hearing on the Request for August 16, 2021, and therein granted leave to the parties to file additional briefing not to exceed 5 pages in length.

¹ Schulze filed an objection to the Request on July 13, 2021, which required a response from Ann. Schulze only objected to the Request as untimely, relying on an outdated version of WDCR 57.3(7), which was amended by the Order Amending Rules of Practice for the Second Judicial District Court, ADKT 0544 (“Order ADKT 0544”) filed with the Nevada Supreme Court on November 27, 2019. By Order ADKT 0544, all references to 10-day deadlines in WDCR 57.3 were amended to 14 days to bring the WDCR in line with the NRCP. Therefore, the Request was timely.

Ann has already briefed in her *Motion to Revoke Letters Testamentary and to Revoke Probate for Lack of Jurisdiction Under NRS 136.010 et seq.* (“Motion to Dismiss”) and her reply in support thereof the applicable law regarding this Court’s ability to address subject matter jurisdiction at any time regardless of the court’s prior actions or whether any party has previously raised defects in subject matter jurisdiction. *See Washoe Cty. v. Otto*, 128 Nev. 424, 434-35, 282 P.3d 719, 727 (2012) (explaining that a district court lacks subject matter jurisdiction to consider a petition for judicial review where the petitioner fails to comply with the statutory requirements for filing the petition); *see also Vaile v. Eighth Judicial Dist. Court*, 118 Nev. 262, 276, 44 P.3d 506, 515-16 (2002) (providing that subject matter jurisdiction cannot be waived); *Basin Energy Co. v. Howard*, 447 S.W.3d 179 (2014); *McCullough & Sons, Inc. v. City of Vadrnais-Heights*, 883 N.W.2d 580 (2016) (“Courts can question subject-matter jurisdiction at any time, even if the parties to a case have not done so.”) Ann’s Motion and Reply in Support are both part of the record for this Court to review. However, for the sake of clarity and brevity, Ann will present the following arguments as her supplemental briefing to direct this Court’s attention to the relevant portions of the record supporting her arguments, and additional considerations for this Court.

1. The Court Has No Factual Basis for Jurisdiction.

The Probate Commissioner’s Report and Recommendation dated June 24, 2021 made determinations of fact that support a finding that the Court lacks subject matter jurisdiction, and that support an Order granting Ann’s Motion to Dismiss filed May 10, 2021. The Probate Commissioner accurately states in his Recommendation on page 3, “The sole bases for this Court’s jurisdiction in the settlement of estates then, is where a decedent died as a resident of Washoe County or where a Decedent’s property is located in Washoe county at death.” The Probate Commissioner further notes that “In this case, there is no allegation in the record that Clifford Laughton was a resident of, or left any property in, any other county in this State.”

The Probate Commissioner concludes on page 10 of his Recommendation that “There is no genuine dispute that Clifford Laughton did not reside in this State.” The Probate

1 Commissioner further concludes on page 13 of his Recommendation that “the Opposition fails to
2 identify any property of the Decedent located within this County....”

3 With no basis on the record to support this Court’s subject matter jurisdiction, the only
4 legal conclusion is that the Court lacks the jurisdiction to continue the administration of the
5 Estate. Therefore, the only order to be issued by this Court is that of a dismissal of the case
6 without prejudice.

7 The Probate Commissioner properly determined that “Clifford Laughton was not in fact a
8 Nevada resident,” and indicated that this Court “will not be compelled to further amend its prior
9 finding of jurisdiction without additional evidence related to the Decedent’s and the Personal
10 Representative’s alleged efforts to deceive this Court.” It is this recommendation for “further
11 proceedings” in which Ann believes the Probate Commissioner has erred by keeping jurisdiction
12 of the Estate pending his determination of additional evidence related to the Decedent’s and the
13 Personal Representative’s alleged efforts to deceive this Court.

14 If this Court lacks subject matter jurisdiction over the Estate, then administration cannot
15 proceed. If the Personal Representative can produce evidence to support a different determination
16 on jurisdiction, he can refile his petition, or move to amend the existing petition as recommended
17 by the Probate Commissioner. However, absent present jurisdiction over the Estate,
18 administration must cease so that the Estate may be properly administered in the correct
19 jurisdiction.

20 **2. Additional Proceedings Regarding the Parties’ Actions Do Not Grant** 21 **Jurisdiction Over the Estate.**

22 **a. Richard Schulze’s Alleged Actions to Deceive the Court and the State of** 23 **Nevada Do Not Grant Jurisdiction Over the Estate.**

24 As the Probate Commissioner noted, the facts relevant to the issue of jurisdiction involve
25 the circumstances at the date of death. While the actions and statements of the parties, both prior
26 to the date of death and following the date of death, may be of interest to the court as well as the
27
28

1 Nevada bar, they are not relevant to the issue of subject matter jurisdiction as presented in Ann's
2 Motion to Dismiss.

3 If the Court is considering separate proceedings to address "the Decedent's and the
4 Personal Representative's alleged efforts to deceive this Court," Ann believes there are other
5 ways to address this without continuing the Estate administration in Nevada, which lacks
6 jurisdiction to do so. Richard Schulze, the Personal Representative, is a Nevada resident and filed
7 the pleadings regarding the fabricated jurisdiction to this Court. If the Court is considering an
8 order to show cause why he should not be held in contempt or other sanctions, that can be done
9 without unnecessarily and improperly tying up the Estate in Nevada.

10 Given that Schulze and his confederate, Richard Caifano, are presently seeking judicial
11 intervention in the matter of the Decedent's Trust, which is also before this Court, it may be
12 appropriate to determine Schulze's "efforts to deceive this Court" and the State of Nevada, since
13 such determination will impact his ability to continue to serve as Trustee of the Decedent's Trust.

14 **b. The Legal Determination of Whether Ann Rafael-Straka is Estopped from**
15 **Raising Jurisdictional Claims Requires No Evidence.**

16 The Probate Commissioner also erred in determining that an evidentiary hearing was
17 required to determine:

18 (i) whether Ms. Rafael-Straka should not be estopped from contesting this Court's
19 previous finding of jurisdiction under NRS 136.010(1)(b) because of the "unclean
20 hands" of the Personal Representative, and if she should not be so estopped, (ii)
whether this Court should exercise its discretion to revisit the issue of jurisdiction
even though it is "law of the case"

21 There is no additional evidence that could be presented at an evidentiary hearing that will change
22 the applicable law that defects in subject matter jurisdiction may be addressed at any time by the
23 court and cannot be waived by parties. *See Washoe Cty. v. Otto*, 128 Nev. 424, 434-35, 282 P.3d
24 719, 727 (2012) (explaining that a district court lacks subject matter jurisdiction to consider a
25 petition for judicial review where the petitioner fails to comply with the statutory requirements for
26 filing the petition); *see also Vaile v. Eighth Judicial Dist. Court*, 118 Nev. 262, 276, 44 P.3d 506,
27 515-16 (2002) (providing that subject matter jurisdiction cannot be waived); *Basin Energy Co. v.*
28

1 *Howard*, 447 S.W.3d 179 (2014); *McCullough & Sons, Inc. v. City of Vadnais-Heights*, 883
2 N.W.2d 580 (2016) (“Courts can question subject-matter jurisdiction at any time, even if the
3 parties to a case have not done so.”).

4 A determination of whether estoppel or the application of the “law of the case” doctrine is
5 a purely legal decision by the Court. Ordering an evidentiary hearing on these issues will provide
6 the Court with no useful information in its determination and will only further delay the proper
7 administration of the Estate in the right jurisdiction. More than a full year has passed since the
8 Decedent’s date of death on July 13, 2020. There is a great deal of work to be done in the proper
9 jurisdiction, and that effort should be permitted to proceed with all haste. Time is truly of the
10 essence in this matter.

11 Given the Probate Commissioner’s findings of fact in the Recommendation, this Court
12 must order that it lacks subject matter jurisdiction over the Decedent’s estate, and has no
13 discretion to order an evidentiary hearing on the issue, notwithstanding any purported “estoppel”
14 or doctrine of “law of the case” preventing Ann from now raising such defect or the Court’s prior
15 decisions regarding the estate. This Court must enter an order dismissing further administration of
16 the Estate of Clifford Laughton, and rescind all prior decisions and actions taken by the Court as
17 void *ab initio* due to lack of jurisdiction. All prior Court decisions should be vacated, and all fees
18 awarded by the Court should be disgorged and returned to the Estate.

19 AFFIRMATION
20 (Pursuant to NRS 239B.030)

21 The undersigned does hereby affirm that the preceding document filed in this court does not
22 contain the social security number of any person.

23 DATED this August 12, 2021.

24 HUTCHISON & STEFFEN, PLLC

25 /s/ Russel J. Geist

26 Joseph R. Ganley (5643)

27 Todd L. Moody (5430)

28 Russel J. Geist (9030)

Joseph J. Powell (8775)

Attorneys for Ann Rafael-Straka

1 **CERTIFICATE OF SERVICE**

2 Pursuant to NRCP 5(b), I certify that I am an employee of HUTCHISON & STEFFEN,
3 PLLC and that on this 13th day of August, 2021, I caused the above and foregoing documents
4 entitled **SUPPLEMENTAL BRIEF TO REQUEST FOR JUDICIAL REVIEW OF**
5 **RECOMMENDATION FOR ORDER TO SET EVIDENTIARY HEARING ON MOTION**
6 **PURSUANT TO NRCP 53(f)(1) AND WDCR 57.3(7)** to be served as follows:
7

- 8 ☐ by placing same to be deposited for mailing in the United States Mail, in a sealed
9 envelope upon which first class postage was prepaid in Las Vegas, Nevada; and/or
10 ☒ sent electronically via the Court's electronic service system; the date and time of
11 this electronic service is in place of the date and in place of deposit in the mail;
and/or

12 to the attorney(s) listed below at the address and/or facsimile number indicated below:

13 *Via Electronic Service*

14 Robert A. Dotson, Esq.
15 Justin C. Vance, Esq.
16 Dotson Law
5355 Reno Corporate Dr., Ste. 200
Reno, NV 89511
17 *Attorneys for Richard P. Schulze*

Via Electronic Service

Richard G. Hill, Esq.
Richard G. Hill, Ltd.
652 Forest St.
Reno, NV 89509
Attorneys for the Laughton Foundation

18
19
20 */s/ Amber Anderson-Reynolds*

An employee of Hutchison & Steffen, PLLC

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EXHIBIT E

HUTCHISON & STEFFEN
A PROFESSIONAL LLC

1 **3370**

2 ROBERT A. DOTSON

3 Nevada State Bar No. 5285

4 JUSTIN C. VANCE

5 Nevada State Bar No. 11306

6 DOTSON LAW

7 5355 Reno Corporate Drive, Ste 100

8 Reno, Nevada 89511

9 Tel: (775) 501-9400

10 Email: rdotson@dotsonlaw.legal

11 jvance@dotsonlaw.legal

12 Attorneys for Personal Representative

13 **IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**

14 **IN AND FOR THE COUNTY OF WASHOE**

15 IN THE MATTER OF THE ESTATE

Case No.: PR20-00415

16 OF

Dept. No.: PR

17 CLIFFORD LAUGHTON,

18 Deceased.

19 **ORDER UPHOLDING COMMISSIONER'S RECOMMENDATION**
20 **FOR ORDER TO SET EVIDENTIARY HEARING ON MOTION**

21 On May 10, 2021, Ann Rafael-Straka ("Straka"), filed a *Motion to Revoke Letters*
22 *Testamentary and to Revoke Probate for Lack of Jurisdiction Under NRS 136.010 et seq.* (the
23 "Motion"). On May 19, 2021, Richard Hill, purportedly on behalf of The Laughton Foundation,
24 filed a *Joinder* to the Motion. On May 24, 2021, Richard P. Schulze III, the Personal Representative
25 for the Estate, filed an *Opposition to Motion to Revoke Letters Testamentary and to Revoke Probate*
26 *for Lack of Jurisdiction Under NRS 136.010 et seq. and Alternatively Motion for Leave to Amend,*
27 and on May 25, 2021, filed an *Errata to Declaration of Richard Schulze In Support of Opposition to*
28 *Motion to Revoke Letters Testamentary and to Revoke Probate for Lack of Jurisdiction Under NRS*
136.010 et seq. and Alternatively Motion for Leave to Amend, providing the Court with the *Affidavit*
of Richard Schulze In Support of Opposition to Motion to Revoke Letters Testamentary and to
Revoke Probate for Lack of Jurisdiction Under NRS 136.010 et seq. and Alternatively Motion for
Leave to Amend. On May 28, 2021, Richard Hill filed a *Declaration of Richard G. Hill, Esq.* On

1 June 1, 2021, Straka filed a *Reply in Support of Motion to Revoke Letters Testamentary and to*
2 *Revoke Probate for Lack of Jurisdiction Under NRS 136.010 et seq.*

3 On June 24, 2021, the Probate Commissioner entered a *Recommendation for Order to Set*
4 *Evidentiary Hearing on Motion* ("Recommendation").¹ On July 7, 2021, Straka filed a *Request for*
5 *Judicial Review of Recommendation for Order to Set Evidentiary Hearing on Motion Pursuant to*
6 *NRCP 53(f)(1) and WDCR 57.3(7)* (the "Request for Judicial Review"). On July 13, 2021, the
7 Personal Representative filed an *Objection/Opposition to Request for Judicial Review of*
8 *Recommendation for Order to Set Evidentiary Hearing on Motion Pursuant to NRCP 53(f)(1) and*
9 *WDCR 57.3(7), or in the Alternative, Motion to Strike*. On July 27, 2021, Straka filed a *Reply in*
10 *Support of Request for Judicial Review of Recommendation for Order to Set Evidentiary Hearing on*
11 *Motion Pursuant to NRCP 53(f)(1) and WDCR 57.3(7)*. On July 29, 2021, this Court entered an
12 *Order to Set Oral Argument*, which was set for August 16, 2021 and allowed supplemental briefing.
13 On August 13, 2021, the Personal Representative filed *Richard Schulze's Supplemental Brief*
14 *Regarding Motion to Revoke Letters Testamentary and to Revoke Probate for Lack of Jurisdiction*
15 *Under NRS 136.010 et seq.* On August 13, 2021, Straka filed a *Supplemental Brief to Request for*
16 *Judicial Review of Recommendation for Order to Set Evidentiary Hearing on Motion Pursuant to*
17 *NRCP 53(f)(1) and WDCR 57.3(7)*.

18 The matter was set for a duly noticed hearing on August 16, 2021. At the hearing, Richard P
19 Schulze III appeared along with his counsel Robert A Dotson of Dotson Law. Ann Rafael-Straka
20 appeared, via telephone, through her counsel Russel J. Geist of the law firm of Hutchison and
21 Steffen, PLLC. Interested person Kenneth Gross, appearing in proper person, was present on the
22 phone with Attorney Geist. Counsel Richard Hill was present on behalf of interested party the
23 Laughton Foundation.² The Court heard argument in support of the Motion and in particular the
24 issues raised in the Request for Judicial Review.

25 After review of the pleadings on file and the arguments presented,
26


27 ¹ Such a determination is as authorized by WCDR 57.3(3).

28 ² Counsel for the Personal Representative noted for the record the previously briefed question of the authority to retain Hill.

1 IT IS HEREBY ORDERED that the Probate Commissioner's Recommendation is upheld.
2 Consequently, pursuant to WDCR 57.3, an evidentiary hearing on the Motion shall proceed before
3 Probate Commissioner Gorman.

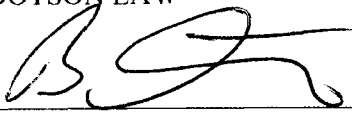
4 IT IS FURTHER ORDERED that the parties are directed to set a hearing within 10 days of
5 the entry of this Order before the Probate Commissioner to determine pre-evidentiary hearing
6 disclosure and discovery guidelines and to determine when the evidentiary hearing shall occur.

7 Dated this 26th day of August, 2021.

8 
9 DISTRICT COURT JUDGE

10
11 Submitted by:

12 DOTSON LAW

13 
14 ROBERT A. DOTSON
15 Nevada State Bar No. 5285
16 JUSTIN C. VANCE
17 Nevada State Bar No. 11306
18 5355 Reno Corporate Drive, Ste 100
19 Reno, Nevada 89511
20 Tel: (775) 501-9400
21 Attorneys for Personal Representative
22
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EXHIBIT F

HUTCHISON & STEFFEN
A PROFESSIONAL LLC

Code: 2490
Joseph R. Ganley (5643)
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Attorneys for Ann Rafael-Straka

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR THE COUNTY OF WASHOE, STATE OF NEVADA

In the matter of the estate of,

CLIFFORD LAUGHTON,

Deceased.

CASE NO.: PR20-00415
DEPT. NO.: 15

**MOTION TO AMEND ORDER
UPHOLDING COMMISSIONER'S
RECOMMENDATION FOR ORDER TO
SET EVIDENTIARY HEARING ON
MOTION (NRCPC 59(e))**

Ann Rafael-Straka ("Ann"), by and through her counsel of record, hereby moves this Court to alter or amend its judgement rendered on August 26, 2021, (the "Order") denying Ann's *Motion to Revoke Letters Testamentary and Revoke Probate for Lack of Jurisdiction Under NRS 136.010 et seq.* (the "Motion to Revoke") filed on May 10, 2021. This Motion is made and based on the following points and authorities, the papers and pleadings on file herein, the attached exhibits, and on other oral and documentary evidence as may be presented to the Court at the hearing on this Motion. This Motion is made pursuant to NRCPC 59(e) and is timely since no written notice of entry of the Order has been filed and served pursuant to NRCPC 58(e), and, in any case, 28 days from the entry of the Order has not elapsed. Therefore, this Motion is timely and warranted by the circumstances as outlined below.

POINTS AND AUTHORITIES

1. Background Facts and Procedural History

A. Introduction.

The Probate Commissioner’s Recommendation for Order to Set Evidentiary Hearing on Motion (the “Recommendation”), filed on June 24, 2021, and upheld by the Order entered on August 26, 2021, indicates that this Court is inclined to maintain jurisdiction over the Decedent’s Estate in spite of Ann’s motion to revoke letters testamentary for lack of subject matter jurisdiction under NRS 136.010(1) and the Recommendation’s findings that “[t]here is no genuine dispute that Clifford Laughton did not reside in this state,” and there is no evidence that any “property of the Decedent may have been located in this county” permitting jurisdiction under NRS 136.010(1). The Recommendation and the Order both imply that application of judicial estoppel against Ann may permit this Court to disregard its lack of subject matter jurisdiction and continue administration of the Estate.

Ann disputes the allegation that by not previously objecting to the Court’s jurisdiction in prior pleadings, she is judicially estopped from raising such defect now. Regardless of how the Court resolves the question of judicial estoppel of Ann, Nevada law does not permit the Court to retain its jurisdiction over the Estate now that it has found that it has no basis for subject matter jurisdiction as expressed in the Recommendation and upheld in the Order. In other words, the factual findings on the record are definitive in establishing that the statutory requirements for subject matter jurisdiction have not been met. Under these circumstances, Nevada law requires this Court to revoke the letters testamentary issued to Richard Schulze and dismiss the Estate for lack of subject matter jurisdiction, regardless of whether judicial estoppel applies to Ann.

However, if this Court maintains jurisdiction and proceeds with an evidentiary hearing, the scope of the hearing must be limited to the inquiry of what “oath [or other assertion of fact] in a prior [or the current] proceeding” Ann has made on the record in which she “alleged or admitted in [her] pleadings in a former proceeding” that Laughton was a resident of Nevada. There is no basis in law or fact to support the proposition that merely filing pleadings in the case, without

1 objecting to jurisdiction, is sufficient to prevent Ann from later asserting the Court's lack of
2 subject matter jurisdiction. Under the application of judicial estoppel in Nevada law, only a
3 judicial declaration such as a sworn affidavit, oath, or pleading before the court can be asserted as
4 grounds for unclean hands which would prevent that party from objecting to the court's
5 jurisdiction. Therefore, if an evidentiary hearing is permitted to go forward, the scope of the
6 evidentiary hearing must be limited to evidence of any sworn assertions by Ann in her pleadings
7 and affidavits on the record of this matter.

8 **B. Factual Background.**

9 **1. The Probate Commissioner Conclusively Found Laughton Was Not a Nevada**
10 **Resident.**

11 Ann filed her Motion to Revoke alleging, *inter alia*, that Richard Schulze's prior
12 representations to this Court that Clifford Laughton died as a resident of Nevada were
13 demonstrably false (his address was that of a UPS store), and that evidence existed indicating that
14 Mr. Schulze was involved in, if not the architect of, Laughton's scheme to create the false
15 appearance that he was a Nevada resident for tax purposes, or otherwise. Ann included recently
16 uncovered evidence including emails between Laughton and Mr. Schulze referring to an
17 agreement Mr. Schulze had given to Laughton to use Schulze's residential address as Laughton's
18 own for voter registration and correspondence with the Nevada Department of Motor Vehicles.

19 Mr. Schulze filed an opposition to the Motion to Revoke admitting that Laughton was not a
20 Nevada resident at the time of his death, but alleging that Laughton may have had interests in
21 Nevada real property through his prior ownership of Nevada companies or directly in some
22 unknown and unproven Nevada real property. Mr. Schulze further alleged that Ann was
23 "estopped" from challenging the subject matter jurisdiction over the Estate by misapplying *Vaile*
24 *v. Eighth Judicial Dist. Court*, 118 Nev. 262, 44 P.3d 506 (2002). Finally, Mr. Schulze alleged
25 that the unspecified "law of the case" doctrine prohibited the Court from revisiting its prior
26 determination that jurisdiction was appropriate based on Mr. Schulze's false allegations. Mr.
27 Schulze contradicted his own argument regarding the "law of the case" by citing *Vaile*, which
28

1 specifically found that, with respect to the matters of child custody and visitation in that case,
2 “The district court lacked subject matter [jurisdiction]... and therefore the provisions of the
3 decree which purport to fix the obligations of the parties with respect to custody and visitation are
4 void.” *Vaile*, 118 Nev. 262, 277, 44 P.3d 506, 516.

5 Mr. Schulze further misconstrued the estoppel argument culled from *Vaile*, illogically
6 claiming that Ann’s prior pleadings in this case, including her petition for determination of
7 creditor claims filed against the estate, are explicit “acknowledgement[s] that this court has
8 jurisdiction.” Mr. Schulze provides no evidence of such “acknowledgement” and also
9 misconstrues the basis for estoppel articulated in *Vaile* as discussed below.

10 After hearing Ann’s Motion to Revoke and Mr. Schulze’s Opposition, the Probate
11 Commissioner accurately stated in his findings in the Probate Commissioner’s Report and
12 Recommendation dated June 24, 2021, on page 3, “The sole bases for this Court’s jurisdiction in
13 the settlement of estates then, is where a decedent died as a resident of Washoe County or where a
14 Decedent’s property is located in Washoe county at death.” The Probate Commissioner further
15 notes that “In this case, there is no allegation in the record that Clifford Laughton was a resident
16 of, or left any property in, any other county in this State.”

17 The Probate Commissioner concludes on page 10 of his Recommendation that “There is no
18 genuine dispute that Clifford Laughton did not reside in this State.” The Probate Commissioner
19 further concludes on page 13 of his Recommendation that “the Opposition fails to identify any
20 property of the Decedent located within this County....” The Probate Commissioner properly
21 determined that “Clifford Laughton was not in fact a Nevada resident,” but then indicated that this
22 Court “will not be compelled to further amend its prior finding of jurisdiction without additional
23 evidence related to the Decedent’s and the Personal Representative’s alleged efforts to deceive
24 this Court.” Ann agrees that the Personal Representative’s efforts to deceive the Court are
25 sanctionable, but disagrees that the evidence of those efforts can be used to modify in any way the
26 application of the Court’s factual findings that the statutory requirements for subject matter
27 jurisdiction have not been satisfied. The decedent was not a resident of Nevada at the time of his
28

1 death, and there is no evidence that he owned Nevada real estate at the time of his death.

2 Therefore, this Court lacks subject matter jurisdiction under NRS 136.010 and cannot proceed
3 with any further proceedings regarding the Estate.

4 **2. The Probate Commissioner Ordered an Evidentiary Hearing to Determine Whether**
5 **Ann Should Not Be Estopped in Light of Schulze's "Unclean Hands."**

6 Despite his finding that there is no basis for subject matter jurisdiction, the Probate
7 Commissioner recommended that an evidentiary hearing was required to determine:

8 (i) whether Ms. Rafael-Straka should not be estopped from contesting this Court's
9 previous finding of jurisdiction under NRS 136.010(1)(b) because of the "unclean
10 hands" of the Personal Representative, and if she should not be so estopped, (ii)
whether this Court should exercise its discretion to revisit the issue of jurisdiction
even though it is "law of the case."

11 Ann filed a timely Request for Judicial Review on July 7, 2021, and this Court entertained
12 supplemental briefs by the parties and oral argument on August 16, 2021, on whether to adopt,
13 reject, or amend the Probate Commissioner's Recommendation.

14 At the hearing on Ann's Request for Judicial Review, this Court adopted the Probate
15 Commissioner's concerns about the factual allegations raised in Ann's Motion to Revoke, directly
16 quoting the Recommendation:

17 Quote, "The motion at bar raises grievous allegations that, if true, demonstrate
18 intentional duplicity on behalf of the Decedent and his counsel during Decedent's
lifetime, at least, to perpetrate a fraud upon this jurisdiction, and specifically this
19 Court, by creating an illusion of Nevada residency.

20 "This scheme, if proved, necessarily involved not only the Decedent's swearing
false oaths before the State's elections and motor vehicle authorities, but by Mr.
21 Schulze knowingly misrepresenting the Decedent's residence address to this
Court.

22 "To permit such a scheme to succeed would clearly work a manifest injustice, not
23 only upon the creditors of the estate, but upon the State of Nevada itself."

24 It's very strong language, which, if true, will require action; and which, if untrue,
25 demands proof.

26 And that concern articulated by Commissioner Gorman is embedded in the
27 estoppel argument of unclean hands [of the Personal Representative].
28

1 See Hearing Transcript, pages 29-31, attached as **Exhibit 1**. Based on the Court's adoption of the
2 Commissioner's concern about the allegation of "the 'unclean hands' of the Personal
3 Representative," this Court adopted the Recommendation as its Order, without any further
4 direction of how "the 'unclean hands' of the Personal Representative" would in any way estop
5 Ann under the principles in *Vaile*, which focuses on the admissions under oath by the party to be
6 estopped, or how an evidentiary hearing could determine "whether this Court should exercise its
7 discretion to revisit the issue of jurisdiction even though it is 'law of the case.'

8 Ann's concern, as addressed in her Request for Judicial Review, is (1) that this Court has no
9 continuing jurisdiction to hold an evidentiary hearing, and (2) that even if an evidentiary hearing
10 is held, the scope of the hearing must be narrowly defined based on *Vaile*'s criteria for judicial
11 estoppel. Otherwise, Ann recognizes that Mr. Schulze will take the opportunity to engage in
12 further expansive and irrelevant discovery in order to compile selective emails and use them to
13 attack Ann's reputation and intentions as he already has done in this case and in the companion
14 matter regarding the Laughton Family Trust (case number PR20-00676). In response to
15 Schulze's expansive demands for production of correspondence and documents (relating to 15
16 separate companies over a 15 year time period), Ann has already been required to produce
17 thousands of documents at a high cost of time, effort, and resources. Such a hunting expedition
18 cannot be justified under the precedent of *Vaile*.

19 In a recent filing supporting his Petition to Rescind a prior settlement agreement with Ann,
20 Mr. Schulze procured an affidavit from counsel for Hawaii Holdings, LLC (an entity owned by
21 CL MGT Corp, which is owned by Ann) in an attempt to discredit Ann's claims that she was not
22 in possession of certain corporate binders at the time Schulze and Ann were negotiating the
23 treatment of Laughton's *inter vivos* gift to Ann. Mr. Schulze mischaracterized the affidavit to
24 smear Ann's reputation in his recent Reply, forcing Ann to obtain a more complete statement
25 from the affiant, which corrects Schulze's falsehood. Unfortunately, this is a common, repeated
26 litigation strategy of Mr. Schulze, and Ann fears that the Probate Commissioner's unlimited scope
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for the evidentiary hearing will allow Mr. Schulze further latitude to abuse the discovery process and mislead this Court.

2. Discussion

A. Legal standard for motions to amend.

NRCP 52(b) authorizes a party to move to amend the findings and/or make additional findings (and amend the judgment accordingly) no later than 28 days after service of written notice of entry of judgment. *See* NRCP 52(b). A timely Rule 52(b) motion tolls the 30-day time period for taking appeal from the judgment, and the 30-day time limit begins to run from the date of service of written notice of entry of an order resolving the Rule 52(b) motion. *See* NRAP 4(a). A Rule 52(b) motion may also suggest and/or request clarification of the basis for the court's decision on the record. *See Bing Const. Co. of Nevada v. Vasey Scott Eng'g Co.*, 100 Nev. 72, 73, 674 P.2d 1107, 1107 (1984). This motion is timely.

Further, NRCP 59(e) provides that, where the issues have been litigated and resolved, a motion may be made to alter or amend a judgment. *See* NRCP 59(e). NRCP 59(e) permits a party to move to amend the findings and/or make additional findings (and amend the judgment accordingly) no later than 28 days after service of written notice of entry of judgment. *See* NRCP 59(e). A timely Rule 59(e) motion tolls the 30-day time period for taking appeal from the judgment, and the 30-day time limit begins to run from the date of service of written notice of entry of an order resolving the Rule 59(e) motion. *See* NRAP 4(a). A Rule 59(e) motion has the same effect, with respect to an appealable order as well as a judgment. *See Lytle v. Rosemere Estates Prop. Owners*, 129 Nev. Adv. Op. 98, 314 P.3d 946, 947 (2013). Like other motions, it must state the grounds with particularity, and the relief sought.¹ This motion is brought for the specific purpose of requesting that the Court amend its judgement to clarify the scope of the evidentiary hearing recommended by the Probate Commissioner.

B. Legal Standard for judicial estoppel and continuing jurisdiction by this Court.

¹ *United Pac. Ins. Co. v. St. Denis*, 81 Nev. 103, 399 P.2d 135 (1965).

The Recommendation cites the “equitable doctrine of judicial estoppel,” which it asserts may apply to the question of whether Ann may proceed with her challenge to the Court’s jurisdiction, citing *Vaile*.

“[A]ccording to the rule of judicial estoppel, a party who has stated an oath in a prior proceeding, ‘as in a pleading,’ that a given fact is true, may not be allowed to deny the same fact in a subsequent action.” *Vaile v. Eighth Judicial District Court ex. rel. County of Clark*, 118 Nev. 262, 273, 44 P.3d 506, 514 (2002) (quoting *Sterling Builders, Inc. v. Fuhrman*, 80 Nev. 543, 549, 396 P.2d 850, 854 (1964)). ... “Under the doctrine of judicial estoppel a party may be estopped merely by the fact of having alleged or admitted in his pleadings in a former proceeding the contrary of the assertion sought to be made.” *Sterling Builders, Inc.*, 80 Nev. at 549, 396 P.2d at 854 (citing 31 C.J.S. § 121, at 649, 650).

However, while the Recommendation asserts, “The argument for estopping Ms. Rafael-Straka from contesting jurisdiction in this case is a strong one,” the Recommendation only cites one pleading in which Ms. Rafael-Straka mentions jurisdiction, the Opposition to Petition for Instructions Regarding Allocation and Payment of Federal Estate Taxes Pursuant to NRS 150.290 – 150.390 dated December 31, 2020, and specifically, that she “does not object to Petitioner’s assertion of the date of death of Clifford Laughton or this Court’s jurisdiction over the Decedent’s estate.” To reach the conclusion that there is a “strong” case, the Probate Commissioner implies that Ann’s pleading which declined to object to the Court’s jurisdiction at the time of filing her Objection to Apportionment is the same as her “having alleged or admitted” the Court has jurisdiction. *Sterling Builders* at 549. This implication is not legally correct and is unsupported by facts on the record. Ann’s pleading was filed nine months ago, prior to discovery of documents in this matter which exposed significant evidence of the Personal Representative’s deceit.

Additionally, the latest edition of 31 C.J.S. 121 indicates, “Generally, an admission, in order to constitute an estoppel, **must relate to a matter of fact, and a person will not be estopped by an admission as to the law**, or as to the legal effect of a contract.” 31 C.J.S. Estoppel and Waiver § 121. Besides citing the number of pleadings Ann has filed in the matter, the Recommendation cites no law to support the proposition that the act of merely filing a pleading in a case, without expressly contesting jurisdiction, constitutes estoppel or a waiver of the jurisdictional argument. On the contrary, the *Vaile* court, in applying *Sterling Builders*, explicitly provided that “subject

1 matter jurisdiction cannot be waived and may be raised at any time, or *sua sponte* by a court of
2 review.” *Vaile* at 276. It is noteworthy that Ann’s early involvement in this case was not
3 voluntary. She was forced to either file or lose her rights to assert creditor claims. Then, she was
4 forced to defend against Schulze’s claims against her for apportionment of federal taxes which
5 had not yet been calculated or paid.

6 The *Vaile* court “noted that according to the rule of judicial estoppel, a party who has stated
7 an oath in a prior proceeding, ‘as in a pleading,’ that a given fact is true, may not be allowed to
8 deny the same fact in a subsequent action.” *Vaile* at 273 (citing *Sterling Builders, Inc. v.*
9 *Fuhrman*, 75 Nev. 189, 336 P.2d 1073 (1959)). The court in *Vaile*, relied on the wife’s prior
10 verified answer to husband’s complaint, in which she admitted that husband was a resident of
11 Nevada, and was therefore estopped from later asserting that husband was not a resident when
12 moving to set aside the final divorce decree. *Id.* The court then concluded that the divorce decree
13 was voidable but declined to set the decree aside as to the wife because of her prior admission of
14 the husband’s residency as fact under oath. However, the court went on to find, “The district
15 court lacked subject matter jurisdiction over matters of custody and visitation when it entered the
16 decree of divorce in 1998, and therefore the provisions of the decree which purport to fix the
17 obligations of the parties with respect to custody and visitation are void.” *Id.* *Vaile* applied
18 judicial estoppel ONLY based on an oath in a judicial proceeding such as a pleading.

19 Under the *Vaile* standard of estoppel, Ann has not admitted in pleading, affidavit, or otherwise
20 the now-proven falsehood of Laughton’s residency upon which Mr. Schulze misled this Court to
21 establish administration in Nevada. One of the first pleadings filed by Ann in this case, and the
22 only pleading in which jurisdiction is mentioned, is Ann’s *Opposition to Petition For Instructions*
23 *Regarding Allocation and Payment of Federal Estate Taxes Pursuant to NRS150.290 - 150.390,*
24 *Inclusive (The Federal Estate Tax Apportionment Law)* (the “Objection”), filed on December 31,
25 2020. **Nowhere in this Objection, nor anywhere in Ann’s creditor claims or other pleadings,**
26 **does Ann admit Schulze’s assertion of fact that Laughton was a Nevada resident.** Ann’s
27 unverified Objection cannot be construed as an admission of Laughton’s residency, nor can it
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1 constitute a waiver of subject matter jurisdiction. *See Vaile* at 276 (“subject matter jurisdiction
2 cannot be waived and may be raised at any time, or *sua sponte* by a court of review.”). In fact,
3 there is nothing in the record of verified pleadings that can be construed as Ann asserting as fact
4 the now debunked assertion by Mr. Schulze that Laughton was a resident of Nevada. To the
5 contrary, Ann’s attorney Gross admonished Schulze in written correspondence as early as
6 October and November 2020 that Schulze may have filed the probate in the wrong jurisdiction,
7 and that Gross would not be a party to any deception of the court. While Ann and Gross suspected
8 that Mr. Schulze’s assertions to this Court that Laughton was a resident of Nevada were false,
9 Ann could not raise the issue with the Court until evidence was obtained from Laughton’s emails
10 and other sources demonstrating his scheme to create the false Nevada residency communicated
11 to his attorney, Mr. Schulze. With the evidence in hand, Ann was able to present the deficiency of
12 subject matter jurisdiction to the Court, and with little harm to the Estate and its administration;
13 although time had passed since this Court issued letters testamentary to Mr. Schulze based on his
14 representations that Laughton’s residential address as a UPS Store in Reno, Nevada, this Court
15 had not rendered any decisions on the pending petitions by the time Ann filed her Motion to
16 Revoke on May 10, 2021. Ann has made no affirmative statements of fact asserting or admitting
17 Laughton’s false Nevada residency in the pleadings or elsewhere.

18 Even if, *arguendo*, Ann is estopped from challenging the prior orders of this Court on the
19 grounds of subject matter jurisdiction, this Court does not have continuing jurisdiction over the
20 Estate based on such estoppel. The relevant factual findings regarding jurisdiction are already part
21 of the record. The statutory elements for jurisdiction simply do not exist. For this reason,
22 regardless of any subsequent rulings regarding unclean hands and estoppel, this Court still does
23 not have jurisdiction under NRS 136.010(1) to continue adjudicating this case. Therefore, and
24 further proceedings are moot.

25 The Nevada Supreme Court has clarified since *Vaile* that even if judicial estoppel applies to a
26 party in the case, “subject matter jurisdiction cannot be conferred by estoppel,” even outside of
27 family law or UCCJA cases like *Vaile*. *Arellano v. Iglesias*, 468 P.3d 375 (Nev. 2020) (citing
28

Friedman v. Eighth Judicial Dist. Court, 127 Nev. 842, 852-53, 264 P.3d 1161, 1168-69 (2011) (collecting cases).) Therefore, in *Vaile*, while the wife was estopped from challenging the entered divorce decree, the district court lacked jurisdiction to enter the other orders regarding child custody and visitation. Here, even if Ann is estopped from raising subject matter jurisdiction, this Court cannot maintain jurisdiction by such estoppel. *Arellano* at 375.

C. This Court Should Revoke the Letters Testamentary and Dismiss the Estate Administration for Lack of Subject Matter Jurisdiction.

The statutory jurisdiction of this Court over estates is determined by the facts and circumstances as of the date of death. There are only two elements: (1) the decedent’s residency, and (2) the location of the property of the decedent. NRS 136.010(1). This Court, in adopting the Recommendation, has already found that it presently has no basis for jurisdiction of the Estate. The issue of unclean hands and non-estoppel of Ann, while likely to shed light on Mr. Schulze’s actions related to the misrepresentations he made to this Court, does not grant the Court continuing jurisdiction to administer the Estate. *Arellano* at 375. The Court should recognize this fact, dispense with further proceedings, revoke the letters testamentary, and dismiss the Estate administration.

D. Alternatively, This Court Should Clarify Its Order Adopting the Recommendation.

If the Court is inclined to allow the evidentiary hearing, Ann requests that the scope of the evidentiary hearing, be limited to the issue of judicial estoppel under Nevada law as articulated under *Vaile*. , Any estoppel of Ann must be based on statements in which she has “stated an oath [or other assertion of fact] in a prior [or the current] proceeding, ‘as in a pleading,’ that a given fact is true,” specifically that Laughton was a resident of Nevada, the basis on which this Court relied to establish subject matter jurisdiction. The scope of a *Vaile* determination as applied to Ann’s estoppel is extremely narrow, limited to the record in this proceeding. By so limiting the scope of the evidentiary hearing, the Court will achieve judicial economy and will prevent Mr. Schulze from continuing to waste Estate resources on his crusade to uncover selective unflattering emails from years past.

The other issue for which the Probate Commissioner recommends an evidentiary hearing, specifically, “whether this Court should exercise its discretion to revisit the issue of jurisdiction even though it is ‘law of the case,’” is a legal matter fully addressed in the *Vaile* decision, which stated that even though the wife was estopped from voiding the divorce decree because of her prior verified answer in which she admitted husband was a Nevada resident, **the district court lacked subject matter jurisdiction to determine custody and visitation issues and therefore, those provisions of the divorce decree were void.** Legally, there is no bar to this Court revisiting subject matter jurisdiction, regardless of estoppel of a party. In fact, *Vaile*, favorably cited by Mr. Schulze and adopted by the Probate Commissioner and this Court, states that this Court has the authority to revisit subject matter jurisdiction “at any time.” *See Vaile* at 276 (“subject matter jurisdiction cannot be waived and may be raised at any time, or *sua sponte* by a court of review.”).

3. Conclusion

For the foregoing reasons, Ann respectfully requests that this Court enter an order amending its prior *Order Upholding Commissioner’s Recommendation for Order to Set Evidentiary Hearing on Motion* entered on August 26, 2021 as follows:

- (1) The Recommendation of the Probate Commissioner be amended such that this Court adopts the findings of the Recommendation that “[t]here is no genuine dispute that Clifford Laughton did not reside in this state,” and there is no evidence that any “property of the Decedent may have been located in this county” permitting jurisdiction under NRS 136.010(1).
- (2) Further, this Court has no subject matter jurisdiction over the Estate of Clifford Laughton, that subject matter jurisdiction cannot be conferred by estoppel, and the letters testamentary be revoked and the matter dismissed under *Arellano v. Iglesias*, 468 P.3d 375 (Nev. 2020).
- (3) Alternatively, if the Court believes that an evidentiary hearing must proceed as recommended by the Probate Commissioner, that the scope of the

evidentiary hearing, if necessary, be limited to a *Vaile* determination of the issue on which the Probate Commissioner and this Court is concerned – estoppel related to Ann’s prior statements under oath which might estop her from raising the issue of subject matter jurisdiction. Judicial estoppel under Nevada law has been narrowly articulated under *Vaile*;

- (4) If an evidentiary hearing is necessary, all discovery conducted by the parties, will be limited to the scope of the issue of judicial estoppel under Nevada law as articulated under *Vaile*; and
- (5) The issue of “whether this Court should exercise its discretion to revisit the issue of jurisdiction even though it is ‘law of the case,’” is a legal issue addressed by *Vaile*, which states that this Court has the authority to revisit subject matter jurisdiction “at any time.” *See Vaile* at 276 (“subject matter jurisdiction cannot be waived and may be raised at any time, or *sua sponte* by a court of review.”). It is entirely proper for this Court to exercise its discretion and revisit the fundamental matter of subject matter jurisdiction before any more resources are wasted.

AFFIRMATION

(Pursuant to NRS 239B.030)

The undersigned does hereby affirm that the preceding document filed in this court does not contain the social security number of any person.

DATED this September 21, 2021.

HUTCHISON & STEFFEN, PLLC

/s/ Russel J. Geist

Joseph R. Ganley (5643)

Todd L. Moody (5430)

Russel J. Geist (9030)

Joseph J. Powell (8775)

Attorneys for Ann Rafael-Straka

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I certify that I am an employee of HUTCHISON & STEFFEN, PLLC and that on this 21st day of September, 2021, I caused the above and foregoing documents entitled **MOTION TO AMEND ORDER UPHOLDING COMMISSIONER'S RECOMMENDATION FOR ORDER TO SET EVIDENTIARY HEARING ON MOTION (NRCP 59(e))** to be served as follows:

- ☐ by placing same to be deposited for mailing in the United States Mail, in a sealed envelope upon which first class postage was prepaid in Las Vegas, Nevada; and/or
- ☒ sent electronically via the Court's electronic service system; the date and time of this electronic service is in place of the date and in place of deposit in the mail; and/or

to the attorney(s) listed below at the address and/or facsimile number indicated below:

Via Electronic Service
Robert A. Dotson, Esq.
Justin C. Vance, Esq.
Dotson Law
5355 Reno Corporate Dr., Ste. 200
Reno, NV 89511
Attorneys for Richard P. Schulze

/s/ Maria Contreras
An employee of Hutchison & Steffen, PLLC

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LIST OF EXHIBITS

**MOTION TO AMEND ORDER UPHOLDING COMMISSIONER’S
RECOMMENDATION FOR ORDER TO SET EVIDENTIARY HEARING ON MOTION
(NRCP 59(e))**

CASE NO.: PR20-00415

Exhibit No.	DOCUMENT TITLE	# OF PAGES
1	Hearing Transcript, August 16, 2021	34

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EXHIBIT PAGE ONLY

EXHIBIT 1

HUTCHISON & STEFFEN
A PROFESSIONAL LLC

1 ripe #4185

2 SUNSHINE REPORTING SERVICES
3 151 Country Estates Circle
4 Reno, Nevada 89511
5 775-323-3411

6 IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA

7 IN AND FOR THE COUNTY OF WASHOE

8 HONORABLE DAVID A. HARDY, DISTRICT JUDGE

9 -oOo-

10 IN THE MATTER OF THE ESTATE

Case No. PR20-00415

11 OF

Dept. 15

12 CLIFFORD LAUGHTON,

13 Deceased.

14 _____/

15
16 TRANSCRIPT OF PROCEEDINGS

17 ORAL ARGUMENTS

18 August 16, 2021

19 Reno, Nevada

20
21
22
23 REPORTED BY: CONSTANCE S. EISENBERG, CCR #142, RMR, CRR

24 Job No. 791528

1 APPEARANCES:

2 For Personal Representative of the Estate of Clifford Laughton,
3 Richard Schulze:

4 ROBERT A. DOTSON, ESQ.
5 DOTSON LAW
6 5355 Reno Corporate Drive, Ste. 100
7 Reno, Nevada 89511
8 775-501-9400
9 Rdotson@dotsonlaw.legal

10 For Interested Person, Ann Rafael-Straka:
11 (Appearing telephonically)

12 RUSSEL J. GEIST, ESQ.
13 HUTCHISON & STEFFEN, PLLC
14 Peccole Professional Park
15 10080 Alta Dr., Ste. 200
16 Las Vegas, Nevada 89145-8651
17 702-385-2500
18 702-385-2086
19 Rgeist@hutchlegal.com

20 For the Laughton Foundation:

21 LAW OFFICE OF RICHARD G. HILL
22 BY: RICHARD G. HILL, ESQ.
23 652 Forest Street
24 P. O. Box 2551
25 Reno, Nevada 89505
775-348-0888
Fax 775-348-0858
Rhill@richardhilllaw.com

Also present:

RICHARD SCHULZE

KENNETH GROSS
(Appearing telephonically)
In Pro Per

1 MONDAY, AUGUST 16, 2021, RENO, NEVADA, 1:28 P.M.

2 -o0o-

3 THE COURT: This is PR20-00415, the Estate of Clifford
4 Laughton. Let's begin with the appearances first in the
5 courtroom, and then counsel on the telephone.

6 MR. DOTSON: Good afternoon, Your Honor. I'm very
7 pleased to be present in the courtroom for the first time since
8 sometime in early 2020. I want to tell you just how excited I am
9 to be here. Rob Dotson on behalf of Personal Representative Rich
10 Schulze.

11 THE COURT: Good afternoon, gentlemen.

12 MR. DOTSON: And I have Richard Schulze with me.

13 THE COURT: Hello.

14 MR. HILL: Good afternoon, Your Honor. Richard Hill,
15 and I'm here representing the Laughton Foundation this afternoon.

16 I'm not going to have much to contribute.

17 THE COURT: And on the telephone.

18 MR. GEIST: Good afternoon, Your Honor. Russel Geist,
19 Bar Number 9030, appearing on behalf of Ann Rafael-Straka.

20 Also I have, conferenced with me, Mr. Ken Gross, who has
21 filed a creditor claim, but my understanding is he doesn't intend
22 to speak at all in this hearing. He's just monitoring.

23 THE COURT: And, Mr. Geist, I understand Mr. Gross is an
24 attorney licensed to practice elsewhere; is that correct?

25 MR. GEIST: That is correct, Your Honor.

1 THE COURT: So as a claimant and as an ancillary
2 participant, not counsel of record, he may certainly listen, but I
3 will not invite his verbal participation.

4 We are set here on what I anticipate will be short oral
5 arguments. This is not an evidentiary hearing. I have reviewed
6 all file materials, from the very beginning.

7 Counsel, as you well know, there's a lot. There is a
8 lot.

9 We are here because of the probate commissioner's
10 detailed, lengthy recommendation making some findings of fact and
11 deferring others pending evidentiary hearing.

12 Ms. Rafael-Straka has filed a request for judicial
13 review, essentially arguing that the Court need not, should not
14 conduct an evidentiary hearing because, as a matter of law, the
15 question of jurisdiction has been answered, and entered.

16 I believe, Mr. Hill, on behalf of the foundation, you
17 have joined in that Petition For Judicial Review, or at least do
18 not stand in opposition to it.

19 MR. HILL: Yes, sir.

20 THE COURT: All right. And the personal representative,
21 Mr. Schulze, through counsel, has opposed judicial review urging
22 the Court to conduct an evidentiary hearing to further examine
23 fairly serious fact allegations.

24 Commissioner Gorman's recommendation was not a template
25 recommendation, and implicates some serious issues, which, if

1 true, cause concern, and which, if untrue, need to be rebutted.

2 My participation today is governed by Local District
3 Rule 57.3, in which I am to conduct a limited review of the
4 probate commissioner's recommendation.

5 I'm confined solely to the record. I'm reading from
6 Rule 57.3, and the presumption is that the recommendation is
7 deemed reasonable and lawful. The burden is on the party seeking
8 review.

9 I invite your arguments, counsel. I want everyone to
10 freely advocate. I don't want to chill your advocacy. My sense
11 is that I'm going to authorize the evidentiary hearing as
12 suggested by Commissioner Gorman.

13 Because Ms. Rafael-Straka has the burden of proof, I
14 turn to Mr. Geist.

15 Anything you wish to emphasize in your moving papers or
16 otherwise, Mr. Geist?

17 MR. GEIST: Thank you, Your Honor. On behalf of
18 Ms. Straka, I would like to point out that I was impressed with
19 and appreciated the probate commissioner's thorough and lengthy
20 report and recommendation. I think it was very thoughtful, given
21 all of the issues that have been raised, not just in our Motion to
22 Revoke Letters of -- the Letters Testamentary, and revoke the
23 admission of the will, but also to take into consideration the
24 procedural posture of the case as well, what's been happening
25 since the very beginning, including the verified pleadings that

1 were filed early on by Mr. Schulze to initiate this as a special
2 administration and then later convert it to a general
3 administration.

4 What I particularly appreciate about the probate
5 commissioner's report and recommendation was the Findings of Fact
6 and Conclusions of Law section in which he emphasizes that under
7 Nevada Statute NRS 136.010, he says, The sole bases for this
8 Court's jurisdiction in the settlement of estates then, is where a
9 decedent died as a resident of Washoe -- as a resident of Washoe
10 County or where a decedent's property is located in Washoe County
11 at death." He says, "In many cases before this Court, both
12 cases" -- or "both bases for jurisdiction exist."

13 He goes on to state that "there's no allegation in the
14 record that Clifford Laughton was a resident of, or left any
15 property in, any other county in this state."

16 So we're certainly looking at Washoe County. And as a
17 matter of his residency, it's clear, based on the record, that
18 Mr. Laughton was not a resident of Washoe County. The address
19 that was provided by Mr. Schulze in the initial pleading papers
20 claiming residency, was not a residence. In fact, it was a
21 mailbox store, I believe a UPS store, by brand, that provided
22 simply a mailing address for Mr. Laughton to claim, that he could
23 have things forwarded there as necessary.

24 But as the affidavit attached to our motion indicates,
25 Mr. Laughton was a permanent resident of Hawaii. In fact,

1 Mr. Schulze, in his capacity as the administrator of the estate,
2 actually participated in and signed documents to the Hawaii taxing
3 authority indicating that Mr. Laughton was a resident of Hawaii,
4 at the time of his death even, the very year of his death.

5 So residency is certainly not a basis for the
6 jurisdiction. Then we have to turn to the real property owned by
7 the Decedent at the time of his death.

8 Now in the opposition to our motion, Mr. Schulze claimed
9 that Mr. Laughton, by virtue of ownership of an entity that owned
10 another entity, both of which were Nevada-based entities which
11 ultimately owned real property, or at one point owned real
12 property in Nevada, that that somehow granted this Court
13 jurisdiction.

14 The probate commissioner, I think, did a very admirable
15 job of reciting the case law in that, and the applicable law, that
16 that's not the case; that, of course, ownership by an entity that
17 is owned by the Decedent does not impute the ownership of that
18 real property to the Decedent.

19 The only allegation that I think there was that stood
20 from that, that hearing, was that Schulze, Mr. Schulze, may have
21 believed that there possibly was some other real property not yet
22 discovered, not yet known, that could have tied the Decedent,
23 Mr. Laughton, to the State of Nevada, subject -- in order to give
24 this Court subject matter jurisdiction over the estate.

25 But as it stands, and as it stands at the conclusion of

1 Mr. -- Probate Commissioner Gorman's report and recommendation,
2 there is no jurisdiction under NRS 136.010, and there hasn't been
3 from the beginning. As a matter of law, this Court has not had
4 jurisdiction of the estate from the beginning.

5 So I think it's crucial to point out that at this point
6 we're looking at the possibility of there never being actual
7 jurisdiction over the estate, despite the representations of
8 Mr. Schulze at the very beginning which gave this Court the belief
9 that, based on his representations, it could proceed with the
10 administration of the estate.

11 In the case of Vaile versus Eighth Judicial District
12 Court, ex rel. County of Clark, and that statutory or that case
13 law citation is 118 Nevada 262, a 2002 case before the Supreme
14 Court of Nevada, the Supreme Court of Nevada made it clear that
15 subject matter jurisdiction is something that is -- that is to be
16 considered by the Court at any time. It's not a waivable
17 objection. It's not something that a party in this case -- that
18 was the question that was exactly raised to the Court was one of
19 the parties prevented from bringing it up because they had waived
20 it, they had not brought it up prior.

21 In this case the Court says it's not a waivable
22 objection. And, in fact, the Court doesn't need any of the
23 parties to bring the lack of subject matter jurisdiction to its
24 attention. It can -- it can look at that issue itself.

25 And I believe the reasoning behind that is clear in this

1 case because subject matter jurisdiction is the basis upon which
2 the Court can hear these matters. If there is no subject matter
3 jurisdiction from the beginning, then the Court has no authority
4 to hear those remaining issues. And the way it's described is
5 it's void ab initio because of the lack of subject matter
6 jurisdiction in this case.

7 With the estate of Mr. Laughton, we have the
8 representation that has been proven false, as indicated in the
9 probate commissioner's findings of fact.

10 We have the hint by Mr. Schulze that there may be
11 additional property out there, but as of yet, and even as of the
12 filing of the supplemental briefing by Mr. Schulze there still is
13 not any proof or evidence that there is additional properties out
14 there that would subject this Court to the jurisdiction -- or
15 subject the estate to the jurisdiction of this Court.

16 Therefore, there's no jurisdiction that this Court can
17 have over the estate to say to Mr. Schulze, you're permitted to do
18 additional discovery to find out if there is property that may be
19 subject to this Court's jurisdiction.

20 Now that's not to stay that Mr. Schulze doesn't have the
21 ability to do that. Mr. Schulze can, if he so chooses, file this
22 estate in the appropriate jurisdiction with appropriate authority
23 from that jurisdiction and then, therefore, thereafter go after
24 the evidence of property that would subject this estate to the
25 Court's jurisdiction.

1 But as of this point, there having been no jurisdiction,
2 we would submit to this Court that we can't bootstrap jurisdiction
3 with the intent of doing discovery to find out if we can find
4 jurisdiction. I think that turns the analysis on its head in this
5 case, the subject matter jurisdiction.

6 The other thing I would point out is the pointing of the
7 finger, so to speak, by Mr. Schulze to Ms. Straka has been
8 something that has taken place since the very end of last year.

9 Every pleading, every -- every request of this Court has
10 pointed the finger at Ms. Straka as somehow the malefactor in all
11 this, the person who has been withholding information, when he has
12 had the authority of this Court to get all of the authority -- all
13 the information necessary to make his case.

14 Nobody has been holding that back. In fact, at the time
15 he fired -- filed his initial Petition For Instructions on Tax
16 Apportionment, a separate document from this matter, Ms. Straka
17 was still an employee of the business of the Decedent, which was
18 being run by Mr. Schulze, whom he later fired, allowing, you know,
19 preventing her from providing -- or having access to any of those
20 further documents.

21 So as a side note, in his briefing he again points out
22 that, well, Ms. Straka was aware of Mr. Laughton's intentions
23 because of these directions that he gave to her a number of years
24 ago about certain information being forwarded.

25 She was an employee of Mr. Laughton, she didn't know his

1 full intent. She -- and I think the allegation is simply baseless
2 based on his -- his email that he included in his brief.

3 But I would point out that in his email Mr. Laughton
4 simply says I'd like you to do this, and Mr. Schulze is aware of
5 it as well.

6 So for him pointing the finger at Ms. Straka, saying she
7 did these bad things, she was aware of it, the same evidence
8 points back to Mr. Schulze, that he was absolutely aware of it as
9 well.

10 I understand that you're inclined to allow the
11 evidentiary hearing to go forward, and I'm assuming that it's for
12 purposes that the probate commissioner indicated, to determine
13 evidence of -- and going back to the probate commissioner's words
14 himself, to determine if she should be estopped from contesting
15 this Court's previous finding of jurisdiction, or whether the
16 Court should exercise its discretion and revisit the issue of
17 jurisdiction even though it's the, quote, "law of the case."

18 I would submit, Your Honor, that both of those issues
19 are resolved by the applicable case law that we've cited, Vaile
20 versus Eighth Judicial District Court.

21 It's not something a party can waive. It doesn't say
22 that they can be judicially estopped.

23 I believe it says that it's something that the Court has
24 to consider. The Court can look at it, itself, without a party
25 bringing it to the Court's attention.

1 So our submit -- we would submit to the Court that the
2 probate commissioner gets all the way there, saying that there is
3 sufficient evidence to show that this Court lacks subject matter
4 jurisdiction, but we believe that the probate commissioner erred
5 in saying that an evidentiary hearing needs to be heard in order
6 to find evidence as to whether or not the Court can ignore the
7 fact that it lacks subject matter jurisdiction based on something
8 Ms. Rafael-Straka did or did not during the case.

9 My biggest concern is that -- and again, I think the --
10 one of the dissenting opinions in Vaile had addressed this
11 specifically, was that if we don't specifically address this
12 issue, that it would allow the injustice created by the case
13 continuing when subject matter jurisdiction was improperly gained
14 in the case. And I believe that was the Court's -- sorry, the
15 Defense concern.

16 It wasn't -- it wasn't concurred with by anyone other
17 than one other justice -- but I believe it applies in this case.

18 If in fact Mr. Schulze was misrepresenting jurisdiction
19 to this Court, he should not be able to benefit from those
20 misrepresentations by continuing to have the estate administered
21 where there is, as found in the report recommendation, no subject
22 matter jurisdiction.

23 That's our position, Your Honor. I'm happy to take any
24 questions, or I would defer the rest of my argument after
25 Mr. Dotson's comments.

1 THE COURT: The silence is my pause while I think.

2 Well, counsel, I do have questions.

3 And after a few years of pushing myself to hold my
4 questions until I hear from everyone, because often those
5 questions are answered, let me return to you Mr. Geist, after I
6 hear from Mr. Dotson.

7 Of course, I'm focusing on the application of estoppel
8 as a fact-intensive inquiry, because there is a balancing of
9 equities. Mr. Geist did a great job arguing the law. And the
10 fact remains that his client has consented and asserted Nevada
11 jurisdiction throughout the probate proceedings so far.

12 I understand the legal argument that's being made, but
13 there is a question of estoppel that remains.

14 Before you, Mr. Dotson, on behalf of the foundation,
15 anything to add, Mr. Hill?

16 MR. DOTSON: And actually, before he speaks, just for
17 the record, the personal representative objects to the appearance
18 of the foundation in this matter through Mr. Hill as there was no
19 authority that has been briefed in some of the papers before the
20 Court today, and I don't want to waive that, recognizing you are
21 going to full well hear from Brother Hill.

22 THE COURT: Yes, I am.

23 MR. DOTSON: I simply wish to place on the record that
24 we would object to his representation of the foundation, or even
25 the foundation's appearance in this case therefor.

1 Thank you.

2 THE COURT: Yeah, I'm not sure what the foundation's
3 role is. I read the foundation's -- I'm not sure if it was filed
4 as a claim but it's essentially the missing \$300,000, the payments
5 directly traceable to Mr. Laughton.

6 I'm familiar with -- I'm vaguely familiar with the
7 foundation's participation so far, and I don't know that it has
8 anything to add, but I'm not going to ignore Mr. Hill. You are
9 here.

10 Is there anything you wish to say before I hear from
11 Mr. Dotson?

12 MR. HILL: Well, first of all, Your Honor, my
13 involvement in the case, I am on a panel with Washoe Legal
14 Services for pro bono representation.

15 On the 23rd of April, they sent out an emergency email
16 to their entire panel that they needed somebody to appear in this
17 case because the Court had issued an order that if the foundation
18 didn't have a participant, a Nevada lawyer here, the claim would
19 be dismissed.

20 I responded to that. I don't do bankruptcies, I don't
21 do criminal, I don't do family law, so there's not a whole lot I
22 can do for Washoe Legal Services. So when something comes along
23 that's up my alley, I'll do what I can.

24 I contacted Mr. Gross. We ascertained that the primary
25 concern was getting, if you will, my foot in the door -- pun

1 intended -- so that the foundation didn't lose its position.

2 From there Mr. Dotson has, in my opinion, raised some
3 very fair questions about exactly who hired me and did they have
4 authority and -- but that's part of the conundrum that is this
5 case, that the Court's going to decide what happened, I think in
6 the companion case, the 676 case. When the Court decides there
7 what happened, that will distill down as to where I sit.

8 So I'm here. I concur with Mr. Dotson, it's probably
9 not appropriate for me to jump into this fray, unless you have
10 questions you want to direct to me.

11 THE COURT: I don't.

12 MR. HILL: Okay. Thank you, sir.

13 THE COURT: Thank you.

14 Mr. Dotson.

15 MR. DOTSON: Thank you, Your Honor.

16 THE COURT: And I'm not yelling at anybody. We all have
17 masks, I said that on the telephone, but we have a courtroom
18 that's beautiful, with horrible acoustics, so please forgive the
19 quality.

20 MR. DOTSON: I'm real familiar, but thank you.

21 Your Honor, based upon your statements, I understand
22 that you would like to keep this hearing focused to the issue of
23 the review.

24 THE COURT: I think I have to determine -- a judicial
25 review is not a second bite of the apple with maybe a more

1 favorable judicial officer.

2 MR. DOTSON: Right.

3 THE COURT: I have a limited scope. I have to make a
4 decision as a matter of law, that they -- that the commissioner's
5 application of law was erroneous.

6 MR. DOTSON: And so I'm going to try to focus, but as is
7 my tendency, I sometimes go a little broader than the surgical
8 field might otherwise allow, and I apologize for that in advance.

9 THE COURT: Attempt to constrain yourself, Mr. Dotson.

10 MR. DOTSON: I am going to, but there's just a few
11 things that I have to say in defense of my client.

12 THE COURT: But as soon as you go on the factual defense
13 of your client, I'm going to have to hear from either side, and
14 then we're way past the narrow question.

15 MR. DOTSON: All right. Then I will restrain myself
16 even more and say this.

17 If you read the probate commissioner's -- well, first,
18 we start from the premise that the Court, whether it is this Court
19 or the probate commissioner acting through the authority of this
20 court, has the right to control the proceedings before it at all
21 times.

22 It has the right to reconsider its decisions. It has
23 the right to expand or contract, especially in cases which
24 oftentimes are the cases I happen to handle, which are fluid.
25 Corporate -- which this involves -- corporate, government type

1 issues, are infamously fluid in that regard.

2 This case is based upon its facts, and the issues that
3 we have alluded to and even the probate commissioner has alluded
4 to with regard to, well, what if we find real property or property
5 in the County of Washoe, well, then, of course, I'm going to
6 revisit this.

7 I also agree with Mr. Geist, by the way, that this Court
8 always, whether it's through the probate commissioner or itself,
9 retains the right to revisit jurisdiction.

10 I've actually heard, you know, urban legend, of courts
11 determining in trial that they don't have -- that it doesn't have
12 jurisdiction. It was a federal case, but still -- and stopping
13 the case. That always exists. And so that is not the issue.

14 The real question is, how did we get here. And I think
15 at this point it is clear, although I will dispute that he was
16 never a resident, or at least that my client didn't believe he was
17 a resident of Nevada, having met him here at his home in
18 Montreux -- not the lots, the home that preceded it when this
19 estate planning occurred.

20 But despite that, I think the facts seem pretty clear
21 now, and I'm not going to suggest to this Court that he was not a
22 resident of Hawaii, I think he was, and so the question then
23 becomes, all right, is there a separate basis for jurisdiction, or
24 should jurisdiction be retained, because as the probate
25 commissioner said when it was first raised by Mr. Geist in April,

1 well, the law of the case is different than that. And then
2 subsequent to that, judicial estoppel. And I think those are
3 slightly different in their analysis here.

4 And the -- so I think that really what the probate
5 commissioner is doing in its order, and the reason why I did not
6 object to it, is that he recognizes this story is not fully out
7 there yet. He wants to hear all the facts and apply all the law,
8 contemplate it and appropriate it to those facts at that time.

9 And so consequently he recognized, obviously, the best
10 way we do that is through a trial, which is essentially what this
11 hearing would be, a mini trial.

12 And he was recognizing that because of the actual
13 affirmative representation of Ms. Straka in her response on the
14 tax position, petition, that Mr. Geist referred to, that
15 jurisdiction was appropriate; and the approximately 17 filings
16 that have been made, if you include the Foundation's, I think, on
17 Ms. Straka's behalf, on Mr. Gross's behalf and on behalf of the
18 foundation, whether or not judicial estoppel should also apply in
19 this instance.

20 And I can go through some of the cases. One case that I
21 did not cite, that I would like to refer the Court to in this
22 regard, is the Morse v. Morse case and that was an adoption case
23 that, where the petitioners applied, had pled residency in Nevada
24 and then subsequently sought to have the adoption set aside for
25 lack of residency.

1 And although they don't use the term "judicial
2 estoppel," because I think that's really more law of the case at
3 that point, it is essentially the same theory, which is your own
4 behavior has caused us to determine that we should not set aside
5 this adoption.

6 Similarly, in the Vaile case -- I call it "vale." Maybe
7 it's "vial," but I'd rather say "vale."

8 In the Vaile case, I think importantly, the Court
9 recognizes that a court, a trial court always has the right to
10 even sua sponte raise jurisdiction. But then in certain factual
11 circumstances, in this very fact-specific analysis, either
12 something is not necessarily -- is voidable rather than void.

13 And I think that's actually the situation that we have
14 here. I think that's where this probate commissioner was
15 trending, which is why he wanted the hearing, is that he wanted to
16 hear from my client, he wanted to hear in person from Ms. Straka
17 and Mr. Gross likely, I would suggest, and make a determination as
18 to whether this should be tossed out for unclean hands on my
19 client's part, or whether the actions subsequent to the filing and
20 the allowing this Court to proceed so far, put so much effort, as
21 this Court has already recognized, and so much judicial resources
22 and personal resources forward, before raising at an interesting
23 time the fact that, oh, there's no jurisdiction, you have to start
24 over in Hawaii now, start chasing us again.

25 And that's how -- you know, obviously, I'm an advocate

1 here, but that's how I view this. And in an interest of
2 transparency I should also advise the Court that we did, in fact,
3 today file a petition in the trust action to set aside the gift,
4 so that will also now be before this same probate commissioner.

5 And I don't think there's any objection or any question
6 that this Nevada trust is appropriately before that probate
7 commissioner.

8 I also think there's no objection or no reasonable
9 objection that the true parties at interest here are the
10 beneficiaries of that trust. Those bequests to those specific
11 beneficiaries, and then the residual request -- or bequest to the
12 foundation, are the people and the entities who really are --
13 well, that's who we're really actually fighting for here, and
14 actually what this is really about. And that is a Nevada trust.

15 We make the argument in our opposition, and I would make
16 this argument in front of the probate commissioner, I think he
17 should have the opportunity to hear this arguments and I think he
18 wants to, that -- though he doesn't like the argument, I think
19 there are some cases that we cited in our supplemental briefing
20 that he should be able to consider, like the Blixseth case, which
21 is remarkably similar in that that individual had a limited
22 partnership and an LLC, that held all of, basically all of his
23 assets.

24 And none of those assets in that instance, unlike this
25 case, were Nevada assets. They were in some of the same places,

1 ironically, that this estate has real property assets.

2 And in that case, the bankruptcy panel, on appeal,
3 reversed, determining that, no, jurisdiction was appropriate in
4 Nevada, and that that, although being personal property, that is
5 the situs for that personal property.

6 A similar result was found in the Black Eagle Mining
7 case, in the Grayson case, much older cases. Admittedly, most of
8 these cases are old.

9 What I liked about the Nevada case, although it didn't
10 deal with a corporation, it dealt with a partnership and an LLC,
11 and it was recent.

12 The other issue which we raised, and I think counsel has
13 alluded to it as being something that we have consistently been
14 curious about, but have not in a position yet to -- and I admit in
15 my supplemental briefing, it's still not ripe -- and that is
16 basically a reverse piercing argument. It's actually first raised
17 in these briefs by Mr. Geist, in his reply brief.

18 And I think that's something that deserves
19 consideration. I think it's something that would be considered by
20 the Court.

21 And by the way, what would be the end result of that?
22 We would find real property in Washoe County owned by Clifford
23 Laughton at the time of his death.

24 And one interesting fact is, it does not appear to me
25 that these corporations have ever filed or at least recently filed

1 US taxes, which is about the best evidence of commingling, and
2 just tossing aside the corporate fiction, that I've ever had the
3 opportunity to argue, and I've argued it in front of the Nevada
4 Supreme Court on a couple of occasions.

5 So with that, Your Honor, I believe that this matter
6 should proceed to an evidentiary hearing.

7 I do not think that the probate commissioner or this
8 Court, if this is the court where we hear the matter -- I think it
9 should as courts always do, consider the evidence, determine if
10 that evidence before it is offered is relevant, and make that
11 determination at the time, whether that issue, whether that
12 evidence is relevant. And by the way, retain the right to say,
13 you know what, I don't care, as I think you could right now.
14 We're -- this jurisdiction is done.

15 In that case, though, Your Honor, because of these
16 unique facts, I would respectfully request that the dismissal of
17 the case be without prejudice so that if in that trust proceeding
18 we determine that, indeed, the corporate fiction should be set
19 aside and all of these corporations and LLCs really were just all
20 revenue to one location and all expenses, including paying his
21 attorney and his cable bill to another, then there's an asset,
22 there are two assets at least that we know of that existed in
23 Washoe County at the time of his death. And we should have the
24 right to repetition at that point.

25 Thank you, Your Honor.

1 THE COURT: Thank you.

2 Mr. Geist, having burden of proof, I'll give you brief
3 rebuttal, if any.

4 MR. GEIST: Thank you, Your Honor.

5 I would first like to point out that Mr. Dotson,
6 although he promised he would keep his comments to our specific
7 issue, seemed to be straying into an issue that wasn't raised. He
8 was not the party who requested judicial review of the probate
9 commissioner's report and recommendation.

10 Therefore, his arguments regarding reverse corporate
11 piercing and whether or not the LLCs subjected the real property
12 to the ownership of the Decedent, I think should be really
13 stricken, because they are not relevant. They were never raised
14 in any kind of request for judicial review.

15 We don't object to that. We believe that the probate
16 commissioner was correct. I think he cited the correct law.

17 I think Mr. Dotson is creative in his comments about the
18 entities not filing US tax returns, therefore they are somehow
19 shams for the Decedent, when it's more likely that those US --
20 those entities were simply pass-through entities that don't file
21 their own tax returns.

22 Most limited liability companies in Nevada are set up
23 that way, as I'm sure this Court is well aware, and that's
24 frequently the case, and I'm sure if we were to set Mr. Schulze
25 down for a deposition and ask him how many of the estate plans he

1 created for his clients that would have an LLC in it, I think a
2 vast majority of those would be pass-through entities, as was the
3 case with Mr. Laughton.

4 Regarding the case law that he cites in favor of
5 judicial estoppel, he cited Morse v. Morse, which was a 1983 case
6 in Nevada, and I appreciated his admission about his citation of
7 other cases regarding a different issue being older cases. Morse
8 v. Morse is among those other cases that are older cases.

9 The case law that we cited, Vaile -- I'll go with the
10 prevailing pronunciation -- Vaile versus Eighth Judicial District
11 cited favorably the Swan versus Swan case at 1990.

12 And the Swan versus Swan case is the case in which we
13 get the idea that a party cannot waive subject matter
14 jurisdiction.

15 Now it's interesting that the probate commissioner
16 noted, and I think this Court sort of alluded to it, although I
17 believe the Court may have somewhat amplified what the probate
18 commissioner was saying, Ms. Straka didn't propound jurisdiction
19 for this Court. She simply didn't object to it. And she didn't
20 object to it in writing.

21 And I say that because I'm the person who drafted the
22 pleading within which we didn't object to it.

23 And it was the response to Mr. Schulze's petition for
24 objection -- petition for instructions regarding the tax
25 apportionment. We simply said -- and if the Court will bear with

1 me, I will pull that up.

2 We simply said that we are not objecting to the
3 jurisdiction of the Court, at that point, through our petition. I
4 mean that was the intent of it.

5 Even if it were deemed a waiver of an argument, the
6 Supreme Court has said that that is something that cannot be
7 waived by a party, and that is from the Vaile case, which they
8 quoted directly the Swan versus Swan case in 1990. 1990 was
9 decided after other states had considered this exact subject
10 matter jurisdiction analysis and determined that the Court needs
11 to take a more active role in determining these subject matter
12 jurisdiction cases.

13 Morse v. Morse absolutely says what Mr. Dotson says,
14 that a party was held to have -- have been estopped in the
15 underlying case. That's what the District Court said.

16 But I would argue that Swan v. Swan and Vaile, both took
17 that and reversed it and said we're no longer going to hold that a
18 party can be estopped from later raising it.

19 The language of Vaile and Swan are extremely clear, and
20 directly applicable to this case, in that a party -- it says, "In
21 our opinion, we noted" -- and this is saying we noted in Swan --
22 "that subject matter jurisdiction cannot be waived and may be
23 raised at any time, or sua sponte, by a court of review."

24 There's no asterisk on that statement that the Supreme
25 Court authored. They didn't say can be raised at any time unless

1 they have previously indicated that they're not objecting to it,
2 or unless we're so far down the line of having so many pleadings.
3 It says at any time.

4 And I think the Supreme Court means that the matter can
5 be raised at any time, or sua sponte by a court of review, meaning
6 even after we get to the point where we have a final decision, if,
7 on appeal, a party raises lack of subject matter jurisdiction, or
8 even if the court believes that there was lack of subject matter
9 jurisdiction, they can analyze it.

10 Judicial estoppel is an equitable remedy, Your Honor.
11 For equitable remedies to apply, the Court has to balance the
12 equities of a case.

13 In this case, what I believe the probate commissioner is
14 trying to accomplish is somehow accomplishing a balancing of an
15 equity between Ms. Straka, who is a party to this case not only as
16 creditor but she's also ultimately a beneficiary under the trust
17 matter, and Mr. Schulze, who is a designated fiduciary.

18 I don't see the benefit of giving Mr. Schulze additional
19 time, additional discovery, additional rights, additional
20 authority, when it is, as of right now, clear that on the date of
21 death, which is the time that NRS 136.010 contemplates we look at,
22 on the date of Mr. Laughton's death, this Court did not have
23 subject matter jurisdiction.

24 Now, again, I don't think there's anything by this Court
25 dismissing this current action that would prohibit Mr. Schulze, in

1 his authority, if he were able to obtain it from another state,
2 the appropriate state of jurisdiction of the administration of the
3 estate, to go out and look for appropriate property that would
4 subject him to, or subject the estate to the jurisdiction of
5 Nevada.

6 There's nothing that dismissing this case would do that
7 would preclude him from doing so. In fact, the probate
8 commissioner indicated that that would likely be the case. But he
9 would ask that, number one, Mr. Schulze move the Court to amend
10 its prior pleadings before he did so, based on some of the
11 representations that were made.

12 So, in short, Your Honor, I think the case law, although
13 Mr. Dotson claimed earlier case law seems to somehow set the
14 precedent, I think the case law that has overruled the earlier
15 case law is clear, a party can't waive subject matter jurisdiction
16 arguments. Simply because Ms. Rafael-Straka in a pleading says
17 she is not objecting to the Court's jurisdiction and she's not
18 objecting to what Mr. Schulze was saying regarding a certain
19 factual representation, that doesn't mean that she's waived it for
20 the rest of it, especially when information was found that
21 solidified that Mr. Laughton did not have a residency in Nevada.

22 That's our position. I believe we're really just asking
23 this Court to assign two errors to the probate commissioner's
24 report and recommendation, and specifically that an evidentiary
25 hearing is necessary to determine that legal issue, when the case

1 law is clear.

2 And I'll answer any questions you may have, Your Honor.

3 THE COURT: Thank you. I'm pausing to think.

4 Well, I begin by joining Mr. Dotson's comments about how
5 wonderful it is to be in court and I am delighted by the
6 presentations made by counsel.

7 I don't see Mr. -- is it "Geest" or "Geist?"

8 MR. GEIST: It's "Geist," Your Honor.

9 THE COURT: I don't see Mr. Geist. I have reviewed his
10 CV in anticipation of the hearing. He presented today every bit
11 as I expected.

12 And this file has an extraordinary amount of energy,
13 advocacy by highly skilled counsel.

14 And when legal gladiators contest, not -- contest
15 everything and concede nothing, then the Court has to draw some
16 bright lines.

17 And my sense of this file so far is that there will be
18 very few concessions and a significant number of contests.

19 This is not a personal criticism, I began by
20 complimenting both counsel, but what that means is everybody loses
21 a little bit of credibility because it's all about the advocacy.

22 And if I reframe this question presented, it's whether I
23 grant -- whether I affirm Commissioner Gorman's denial of summary
24 adjudication.

25 In fact, on page 6 he references summary adjudication.

1 It's if I'm granting -- affirming summary judgment on a statute of
2 limitations basis, which can be fact-influenced, but counsel
3 always argue it isn't.

4 I want to frame this narrow question within the larger
5 context of the judicial role. We anticipate that matters will be
6 fully heard when there's any slight question.

7 And the underlying question, as so carefully articulated
8 by Commissioner Gorman, is much more important than what clients
9 may anticipate. Quoting directly from page 6, and by referencing
10 this language, I am not affirming the allegations against
11 Mr. Schulze, I'm simply acknowledging what Commissioner Gorman
12 wrote.

13 Quote, "The motion at bar raises grievous allegations
14 that, if true, demonstrate intentional duplicity on behalf of the
15 Decedent and his counsel during Decedent's lifetime, at least, to
16 perpetrate a fraud upon this jurisdiction, and specifically this
17 Court, by creating an illusion of Nevada residency.

18 "This scheme, if proved, necessarily involved not only
19 the Decedent's swearing false oaths before the State's elections
20 and motor vehicle authorities, but by Mr. Schulze knowingly
21 misrepresenting the Decedent's residence address to this Court.

22 "To permit such a scheme to succeed would clearly work a
23 manifest injustice, not only upon the creditors of the estate, but
24 upon the State of Nevada itself."

25 It's very strong language, which, if true, will require

1 action; and which, if untrue, demands proof.

2 And that concern articulated by Commissioner Gorman is
3 embedded in the estoppel argument of unclean hands. Commissioner
4 Gorman also mentions that for such a significant issue, moving
5 paper exhibits are less than adequate; instead, there should be
6 directly admissible evidence, complete evidence, not excerpts, and
7 further explanations.

8 I cannot find that the evidentiary hearing is
9 inappropriate, as a matter of summary adjudication.

10 The very arguments lodged by Ms. Straka could very well
11 prevail after the evidentiary argument -- evidentiary hearing.

12 But in interest of justice it's important to flush out
13 these unanswered facts.

14 I acknowledge there will be a defense. I have read
15 Mr. Schulze's affidavit. For one illustration, the driver's
16 license far predated his involvement.

17 I know you are going to have something to say. I'm not
18 creating any imprimatur upon the fact allegations, but I'm
19 singling the importance of the issue before the Court.

20 I cannot find that, as a matter of law, summary
21 adjudication must be granted now, but I see that an evidentiary
22 hearing advances the interest of justice, and, again, maybe
23 ultimately to Ms. Straka's prevailing status. I have no idea.
24 But I think it's fair to explore.

25 I'm going to direct Mr. Dotson to prepare a brief order,

1 not including any of his arguments about the timeliness of
2 judicial review, but instead a specific reference to 57.3, denying
3 judicial review, referring an evidentiary hearing to Commissioner
4 Gorman and directing the parties to appear to set pre-evidentiary
5 hearing guidelines regarding evidence to be admitted and possibly
6 evidence to be discovered.

7 That's just the nature of this case. It's going to be
8 litigated in full force by competing and highly competent counsel.

9 Any questions about the brief order you'll prepare,
10 Mr. Dotson?

11 MR. DOTSON: No, Your Honor.

12 THE COURT: Any questions, Mr. Geist?

13 I know you're aggrieved by the Court's decision. You
14 have the right to review the proposed order before it is submitted
15 to me. I'm going to give you a 24-hour review time as opposed to
16 a five-day review time, so I can get this back to Commissioner
17 Gorman.

18 MR. GEIST: I appreciate that, Your Honor.

19 Just an a matter of clarification, I believe you said
20 that as part of the order you're denying the review. Would it be
21 more -- would it make more sense to say that you granted the
22 review and as a result of that you are upholding the probate
23 commissioner's recommendation as stated?

24 THE COURT: I'm satisfied with that friendly amendment
25 to my oral pronouncement.

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MR. GEIST: Thank you, Your Honor.

THE COURT: Thank you. Court will be in recess. I'm going to hang up the phone on you, Mr. Geist.

MR. GEIST: Thank you, Judge. Have a great afternoon.

THE COURT: Same to you. Good day.

(The proceedings concluded at 2:19 p.m.)

-o0o-

1 STATE OF NEVADA)
) ss.
2 WASHOE COUNTY)

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I, CONSTANCE S. EISENBERG, an Official Reporter of the Second Judicial District Court of the State of Nevada, in and for the County of Washoe, DO HEREBY CERTIFY:

That I was present in Department 15 of the above-entitled Court on August 16, 2021, and took verbatim stenotype notes of the proceedings had upon the matter captioned within, and thereafter transcribed them into typewriting as herein appears;

That I am not a relative nor an employee of any of the parties, nor am I financially or otherwise interested in this action;

That the foregoing transcript, consisting of pages 1 through 33, is a full, true and correct transcription of my stenotype notes of said proceedings.

DATED: At Reno, Nevada, this 1st day of September, 2021.

/s/Constance S. Eisenberg

CONSTANCE S. EISENBERG
CCR #142, RMR, CRR

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EXHIBIT PAGE ONLY

EXHIBIT G

HUTCHISON & STEFFEN
A PROFESSIONAL LLC

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JUSTIN C. VANCE
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5 Reno, Nevada 89511
Tel: (775) 501-9400
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jvance@dotsonlaw.legal
7 Attorneys for Executor

8 **IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**

9 **IN AND FOR THE COUNTY OF WASHOE**

10 IN THE MATTER OF THE ESTATE

Case No.: PR20-00415

11 OF

Dept. No.: PR

12 CLIFFORD LAUGHTON,

13 Deceased.
14

15 **OPPOSITION TO MOTION TO AMEND ORDER UPHOLDING**
16 **COMMISSIONER'S RECOMMENDATION FOR ORDER TO SET**
17 **EVIDENTIARY HEARING ON MOTION (NRCP 59(e))**

18 Richard Schulze, Personal Representative of the Estate of Clifford Laughton, by and through
19 his counsel, Dotson Law, hereby files this Opposition to Ann Rafael-Straka's Motion to Amend Order
20 Upholding Commissioner's Recommendation for Order to Set Evidentiary Hearing.

21 **MEMORANDUM OF POINTS AND AUTHORITIES**

22 **I. INTRODUCTION**

23 It is clear that the last thing Ann Rafael-Straka ("Straka") wants in this matter is a full and
24 complete evidentiary hearing. Following the Probate Commissioner's Recommendation for Order
25 filed June 24, 2021 setting an evidentiary hearing, Straka filed a Petition for Judicial Review
26 wherein she states that "this Court... has no discretion to order an evidentiary hearing on the
issue..." (Petition for Judicial Review (June 24, 2021) at 2:13-15.) Judicial review was granted,
27
28

1 and the Court entered an Order Upholding Commissioner’s Recommendation for Order to Set
2 Evidentiary Hearing on Motion on August 26, 2021. Straka now seeks to “amend” that Order.¹

3 Interestingly, Straka’s first sentence is a mischaracterization of the Order she seeks to amend,
4 as she incorrectly states it was an order “denying Ann’s *Motion to Revoke Letters Testamentary*...”
5 (*See* Motion to Amend at 1:17-20.) However, the Order rendered on August 26, 2021 did not deny
6 her motion. Thus far, there has been no order, either by the Probate Commissioner or by Judge
7 Hardy, which actually denies Straka’s Motion. Rather, the Probate Commissioner, as upheld by
8 Judge Hardy, has merely ordered an evidentiary hearing. However, Straka is assuming, without any
9 basis, that this is an indication of the Court’s inclination to maintain jurisdiction. (*See* Motion to
10 Amend at 2:6-7.) Again, the Court has not yet made a determination as to whether or not it will
11 maintain jurisdiction – it has only set an evidentiary hearing after which such a determination will be
12 made.

13 **II. ARGUMENT**

14 From the outset, it must be emphasized that the Court’s judicial review of the Probate
15 Commissioner’s Recommendation for Order is limited. *See* WDCR 57.3(8). The findings of fact
16 and the recommendation of the Probate Commissioner, upon review by Judge Hardy, was only to be
17 disturbed if found to be “clearly erroneous.” *See* WDCR 57.3(11).

18 Among the grounds for a motion brought under NRCP 59(e) are “correct[ing] manifest errors
19 of law or fact, newly discovered or previously unavailable evidence, the need to prevent manifest
20 injustice, or a change in controlling law.” *AA Primo Builders, LLC v. Washington*, 126 Nev. 578,
21 582, 245 P.3d 1190, 1193 (2010). However, a Rule 59(e) motion may not be used to “relitigate old
22 matters, or to raise arguments or present evidence that could have been raised prior to the entry of
23 judgment.” *Stevo Design, Inc. v. SBR Mktg.*, 919 F. Supp. 2d 1112, 1117 (D. Nev. 2013)², citing 11
24 Charles Alan Wright et al., *Federal Practice and Procedure* § 2810.1 (2d ed. 1995).

25
26 ¹ In the meantime, on September 30, 2021, the Probate Commissioner set an evidentiary hearing to take place on January
31, 2022.

27 ² Federal decisions interpreting parallel provisions of the Rule of Civil Procedure provide strong persuasive authority for
28 state courts. *See State, Dept. of Taxation v. Eighth Judicial Dist. Court of Nev.*, 136 Nev. Adv. Rep. 42, 466 P.3d 1281,
1284 (2020); *Exec. Mgmt., Ltd. u. Ticor Tile Ins. Co.*, 118 Nev. 46, 53, 38 P.3d 872, 876 (2002); *see also Dougan v.*
Gustaveson, 108 Nev. 517, 521, 835 P.2d 795 (1992).

1 Here, Straka's motion is an attempt to relitigate issues that could have been and should have
2 been brought before the Court in her Reply brief. She also rehashes the arguments made at oral
3 argument on August 16, 2021. *See* Exhibit 1 to Motion to Amend, Transcript of Proceedings (Augu.
4 16, 2021).) Straka focuses her arguments on *Vaile v. Eighth Judicial District Court ex. rel. County*
5 *of Clark*, 118 Nev. 262, 44 P.3d 506 (2002), which was cited in the Opposition, referred to in the
6 Reply, and discussed at the hearing. Straka now refers to the unpublished case of *Arellano v.*
7 *Iglesias*, 468 P.3d 375 (Nev. 2020) to further support the claims that she could have and should have
8 made in her Reply (*Arellano* was decided prior to the filing of the Reply brief and therefore could
9 have been discussed in the Reply).

10 Regardless, *Arellano* does not affect the Probate Commissioner's ability to rely on the
11 doctrine of judicial estoppel in this instance. In finding that subject matter jurisdiction cannot be
12 conferred by estoppel, *Arellano* relies on the case of *Friedman v. Eighth Judicial District Court of*
13 *Nev.*, 127 Nev. 842, 264 P.3d 1161 (2011). The difference between *Friedman* and *Vaile*, however,
14 is that in *Friedman* the district court was assuming jurisdiction even though one party had
15 challenged it immediately upon the filing of an application seeking custody. *See Friedman*, 127
16 Nev. at 845, 264 P.3d at 1164. That was not so in *Vaile*, where the party who eventually sought to
17 challenge jurisdiction had in essence acquiesced until the point that it was no longer convenient to
18 her interests, at which point she then brought a jurisdictional challenge. *See Vaile*, 118 Nev. at 273-
19 274, 44 P.3d at 514. As noted by the Probate Commissioner, Straka had previously stated that she
20 "does not object to Petitioner's assertion of the date of death of Clifford Laughton or this Court's
21 jurisdiction over the Decedent's estate." (Recommendation for Order at 7:15-20, citing Straka's
22 Opposition to Petition for Instructions Regarding Allocation and Payment of Federal Estate Taxes
23 Pursuant to NRS 150.290 – 150.390 (Dec. 31, 2020) at 2:34.) The Probate Commissioner also
24 points out that Straka or her counsel have filed no less than 13 papers with the Court and attended a
25 least 6 separate hearings before ever raising the issue of jurisdiction. (Recommendation for Order at
26 7:20-8:4.) This is certainly not a situation like in *Friedman* where the jurisdictional issue was raised
27 at the inception of the case.
28

1 Straka also argues for “clarification” of the Order and a limitation to the issue of judicial
2 estoppel. (Motion to Amend at 11:17-20.) This is not a surprise, given what the Trustees have
3 uncovered in the associated Trust matter. Straka simply does not want full and complete evidence to
4 be provided in any proceeding, and certainly does not want to be placed on the stand and asked some
5 very uncomfortable questions. The Probate Commissioner described in Section D of his
6 Recommendation for Order the extent of the further proceedings being recommended. This
7 includes, in addition to evidence to be proffered by Straka, additional evidence that can be proffered
8 by the Personal Representative. (Recommendation for Order at 14:6-12.) There is no reason why
9 the Order should be amended to narrow the scope of the hearing, as the Probate Commissioner can
10 narrow or expand the evidence to be presented as he sees fit during the hearing.

11 Straka is also incorrect in asserting that “[a]ny estoppel of Ann must be based on statements
12 in which she has “stated an oath [or other assertion of fact] in a prior [or the current] proceeding...”
13 (Motion to Amend at 11:20-22.) However, estoppel is not that narrow. As the Probate
14 Commissioner stated, judicial estoppel does *not* only apply to where inconsistent statements are
15 averred under oath, but where contrary positions are made in pleadings. (Recommendation for
16 Order at 7:10-14, citing *Sterling Builders v. Fuhrman*, 80 Nev. 543, 549, 396 P.2d 850, 854 (1964).

17 **III. CONCLUSION**

18 As noted above, Straka’s Motion to Amend amounts to nothing more than an attempt to
19 relitigate matters that previously were or should have been addressed. Interestingly, Straka’s Motion
20 to Amend is brought not because the Probate Commissioner has made a determination on the question
21 of jurisdiction, but because she wishes to avoid an evidentiary hearing. For the reasons set forth
22 herein, Straka’s Motion to Amend should be denied and the parties should proceed with the evidentiary
23 hearing scheduled for January 31, 2022.

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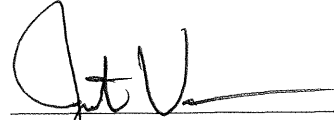
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Affirmation Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding document does not contain the social security number of any person.

DATED this 5th day of October, 2021.

DOTSON LAW



ROBERT A. DOTSON

Nevada State Bar No. 5285

JUSTIN C. VANCE

Nevada State Bar No. 11306

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CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of DOTSON LAW, and that on this date; I caused to be served a true and correct copy of the foregoing by:

- ☐ (BY MAIL) on all parties in said action, by placing a true copy thereof enclosed in a sealed envelope in a designated area for outgoing mail, addressed as set forth below. At Dotson Law, mail placed in that designated area is given the correct amount of postage and is deposited that same date in the ordinary course of business, in a United States mailbox in the City of Reno, County of Washoe, Nevada.
- ☒ By electronic service by filing the foregoing with the Clerk of Court using the E-Flex system, which will electronically mail the filing to the following individuals.
- ☐ (BY PERSONAL DELIVERY) by causing a true copy thereof to be hand delivered this date to the address(es) at the address(es) set forth below.
- ☐ (BY FACSIMILE) on the parties in said action by causing a true copy thereof to be telecopied to the number indicated after the address(es) noted below.
- ☐ Reno/Carson Messenger Service.
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addressed as follows:

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DATED this 5 day of October, 2021.


L. MORGAN BOGUMIL

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IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR THE COUNTY OF WASHOE, STATE OF NEVADA

CASE NO.: PR20-00415
DEPT. NO.: 15

In the matter of the estate of,

CLIFFORD LAUGHTON,

Deceased.

**REPLY IN SUPPORT OF MOTION TO
AMEND ORDER UPHOLDING
COMMISSIONER'S
RECOMMENDATION FOR ORDER TO
SET EVIDENTIARY HEARING ON
MOTION (NRCP 59(e))**

Ann Rafael-Straka ("Ann"), by and through her counsel of record, hereby replies in support of her *Motion to Amend Order Upholding Commissioner's Recommendation for Order to Set Evidentiary Hearing on Motion (NRCP 59(e))* filed on September 21, 2021, (the "Motion"), and responding to Richard Schulze's Opposition to the Motion filed on October 5, 2021. In support of the Motion and in response to Schulze's Opposition, Ann respectfully states the following.

As to be expected from Schulze's numerous pleadings and petitions in this matter and the concurrent matter of the Laughton Family Trust, case number PR20-00676, Schulze intentionally misstates the law and facts to argue that Ann's motion is improper. In an earlier pleading, Schulze objected to Ann's initial Request for Judicial Review by arguing that the Request was untimely based on an outdated iteration of WDCR 57.3(7). Now Schulze argues that the Probate Commissioner's report and recommendation was only to be disturbed by this Court if found to be

1 “clearly erroneous.” WDCR 57.3(11). However, Schulze overlooks and omits the first portion of
2 the applicable local rule, which provides a significant exception for matters of law, applicable to
3 the very issue raised by Ann. WDCR 57.3(11) explicitly states: “**Except as to matters of law**
4 ...” such as this Court’s jurisdiction over an Estate.

5 Schulze also argues that Ann’s motion is “an attempt to relitigate issues” that should have
6 been raised in her Reply brief. However, it is clear that a motion may be brought under NRCP
7 59(e) for “**correct[ing] manifest errors of law or fact**, newly discovered or previously
8 unavailable evidence, **the need to prevent manifest injustice**, or a change in controlling law.”
9 *AA Primo Builders, LLC v. Washington*, 126 Nev. 578, 582, 245 P.3d 1190, 1193 (2010). Ann
10 argued numerous times, starting with her Request for Judicial Review that this Court has no
11 discretion to keep jurisdiction of the Estate and that the determination of whether the Court has
12 continuing jurisdiction based on the Probate Commissioner’s findings in his report and
13 recommendation is a legal question and not dependent upon subsequent factual findings of
14 “estoppel.” Specifically, Ann argued:

- 15 (1) **Request for Judicial Review, July 7, 2021.** “Given the Probate
16 Commissioner’s findings of fact in the Recommendation, this Court must order
17 that it lacks subject matter jurisdiction over the Decedent’s estate, and has no
18 discretion to order an evidentiary hearing on the issue, notwithstanding any
purported “estoppel” preventing Ann from now raising such defect or the
Court’s prior decisions regarding the estate.”
- 19 (2) **Supplemental Brief to Request for Judicial Review, August 13, 2021.**
20 “Given the Probate Commissioner’s findings of fact in the Recommendation,
21 this Court must order that it lacks subject matter jurisdiction over the
22 Decedent’s estate, and has no discretion to order an evidentiary hearing on the
23 issue, notwithstanding any purported “estoppel” or doctrine of “law of the
case” preventing Ann from now raising such defect or the Court’s prior
decisions regarding the estate.”
- 24 (3) **Hearing on Judicial Review of Motion, August 16, 2021.** “MR. GEIST:
25 That’s our position. I believe we’re really just asking this Court to assign two
26 errors to the probate commissioner’s report and recommendation, and
specifically that an evidentiary hearing is necessary to determine that legal
issue, when the case law is clear.” *See* Transcript, pp. 27-28
27
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1 Schulze provides no Nevada law to support his claim that “a Rule 59(e) motion may not be used
2 to ‘relitigate old matters, or to raise arguments or present evidence that could have been raised
3 prior to the entry of judgment.’” Citing *Stevo Design, Inc. v. SBR Mktg.*, 919 F. Supp. 2d 1112,
4 1117 (D. Nev. 2013), which relied on 11 Charles Alan Wright et al., *Federal Practice and*
5 *Procedure* § 2810.1 (2d ed. 1995). In fact, application of such federal limitation would
6 eviscerate the standard established by the Nevada Supreme Court in *AA Primo* by disallowing a
7 Rule 59(e) motion filed on the grounds of “correct[ing] manifest errors of law or fact ... [or] the
8 need to prevent manifest injustice.”

9 Schulze further incorrectly argues that *Vaile v. Eighth Judicial Dist. Court*, 118 Nev. 262,
10 44 P.3d 506 (2002) is distinguishable from *Friedman v. Eighth Judicial Dist. Court of State*, 127
11 Nev. 842, 264 P.3d 1161 (2011). However, in *Friedman*, the Nevada Supreme Court favorably
12 cited *Vaile* indicating that it was “not to the contrary.” *Friedman*, 127 Nev. at 852, 264 P.3d at
13 1168. The Nevada Supreme Court correctly points out that, if estoppel is applicable, it only
14 applies to the orders issued against the party to be estopped. In *Vaile*, the estoppel “only applied
15 to the parents’ divorce.” *Id.* *Friedman* affirms, “It is a well-established principle that ‘no action
16 of the parties can confer subject-matter jurisdiction upon a court’ where the court has no authority
17 to act.” *Sidell v. Sidell*, 2009-159-APPEAL, 2011 WL 1474504 (R.I. 2011) (quoting *Insurance*
18 *Corp. v. Compagnie des Bauxites*, 456 U.S. 694, 702, 102 S.Ct. 2099, 72 L.Ed.2d 492 (1982)).

19 Despite Schulze’s preposterous claim that Ann “simply does not want full and complete
20 evidence uncovered,” **Ann has repeatedly argued that all the issues raised by Schulze and**
21 **Ann are appropriately heard in the proper jurisdiction.** Similarly, Ann repeatedly argued that
22 estoppel does not grant the court jurisdiction, and this Court must dismiss the probate action
23 based on the Probate Commissioner’s findings of fact and conclusions of law, estoppel analysis
24 notwithstanding.

25 Finally, Schulze pedantically, but incorrectly claims that Ann is requesting to limit the
26 scope of inquiry of the evidentiary hearing to “inconsistent statements ... averred under oath” and
27 ignores the no less than 8 times that Ann argued in one form or another that **“the scope of the**
28

1 hearing must be limited to the inquiry of what ‘oath [or other assertion of fact] in a prior
2 [or the current] proceeding’ Ann has made on the record in which she ‘alleged or admitted
3 in [her] pleadings in a former proceeding’ that Laughton was a resident of Nevada.” See
4 Motion at page 2, 23-27. Citing *Vaile*.

5 Schulze clearly did not read the Motion in which she specifically argued:

6 Under the *Vaile* standard of estoppel, Ann has not admitted in pleading, affidavit,
7 or otherwise the now-proven falsehood of Laughton’s residency upon which Mr.
8 Schulze misled this Court to establish administration in Nevada. One of the first
9 pleadings filed by Ann in this case, and the only pleading in which jurisdiction is
10 mentioned, is Ann’s *Opposition to Petition For Instructions Regarding Allocation*
11 *and Payment of Federal Estate Taxes Pursuant to NRS150.290 - 150.390,*
12 *Inclusive (The Federal Estate Tax Apportionment Law)* (the “Objection”), filed on
13 December 31, 2020. **Nowhere in this Objection, nor anywhere in Ann’s**
14 **creditor claims or other pleadings, does Ann admit Schulze’s assertion of fact**
15 **that Laughton was a Nevada resident.**

16 See Motion at page 9, 19-26.

17 Contrary to Schulze’s claim that “the last thing Ann... wants in this matter is a full and
18 complete evidentiary hearing,” Ann wants all of Schulze’s conspiracy to commit fraud and suborn
19 perjury against the State of Nevada and the State of Hawaii uncovered. It is a manifest error of
20 law and is manifest injustice to conduct such proceedings in Nevada which does not have subject-
21 matter jurisdiction over the Estate of Clifford Laughton. By not revoking Schulze’s letters and
22 dismissing the administration of the Estate now based on the applicable law, Ann is forced to
23 expend further resources to prepare for and participate in an evidentiary hearing on the issue of
24 estoppel, rather than resolve the issues regarding Schulze’s administration of the Estate and his
25 prior fraudulent actions in the proper jurisdiction.

26 **3. Conclusion**

27 The law is clear that without subject-matter jurisdiction, this Court cannot
28 continue further proceedings regarding the Estate of Clifford Laughton, and the Probate
Commissioner’s Report and Recommendation as presently entered must be amended by
the order of this Court accordingly. Therefore, Ann asks that this Court grant her motion
as pleaded in her Motion.

Alternatively, Ann asks this Court to limit the scope of the evidentiary hearing recommended by the Probate Commissioner as pleaded in her Motion.

AFFIRMATION

(Pursuant to NRS 239B.030)

The undersigned does hereby affirm that the preceding document filed in this court does not contain the social security number of any person.

DATED this October 12, 2021.

HUTCHISON & STEFFEN, PLLC

/s/ Russel J. Geist

Joseph R. Ganley (5643)

Todd L. Moody (5430)

Russel J. Geist (9030)

Joseph J. Powell (8775)

Attorneys for Ann Rafael-Straka

1 **CERTIFICATE OF SERVICE**

2 Pursuant to NRCP 5(b), I certify that I am an employee of HUTCHISON & STEFFEN,
3 PLLC and that on this 12th day of October, 2021, I caused the above and foregoing documents
4 entitled **REPLY IN SUPPORT OF MOTION TO AMEND ORDER UPHOLDING**
5 **COMMISSIONER’S RECOMMENDATION FOR ORDER TO SET EVIDENTIARY**
6 **HEARING ON MOTION (NRCP 59(e))** to be served as follows:
7

- 8 ☐ by placing same to be deposited for mailing in the United States Mail, in a sealed
9 envelope upon which first class postage was prepaid in Las Vegas, Nevada; and/or
10 ☒ sent electronically via the Court’s electronic service system; the date and time of
11 this electronic service is in place of the date and in place of deposit in the mail;
and/or

12 to the attorney(s) listed below at the address and/or facsimile number indicated below:

13 Via Electronic Service
14 Robert A. Dotson, Esq.
Justin C. Vance, Esq.
15 Dotson Law
5355 Reno Corporate Dr., Ste. 200
16 Reno, NV 89511
17 *Attorneys for Richard P. Schulze*

18
19
20 /s/Amber Anderson-Reynolds
An employee of Hutchison & Steffen, PLLC
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EXHIBIT PAGE ONLY

EXHIBIT I

HUTCHISON & STEFFEN
A PROFESSIONAL LLC

IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
IN AND FOR THE COUNTY OF WASHOE

IN THE MATTER OF THE ESTATE OF
CLIFFORD LAUGHTON,

CASE NO.: PR20-00415

DEPT. NO.: 15

Deceased.

ORDER DENYING MOTION TO AMEND

Before this Court is Ann Rafael-Straka's opposed Motion to Amend Order Upholding Commissioner's Recommendation for Order to Set Evidentiary Hearing on Motion (NRCp 59(e)). This Court has reviewed the record, moving papers, and relevant authorities, and concludes as follows:

On June 24, 2021, the Probate Commissioner entered a recommendation for an evidentiary hearing on Ms. Rafael-Straka's Motion to Revoke Letters Testamentary and to Revoke Probate for Lack of Jurisdiction Under NRS 136.010, citing two specific issues:

(i) Whether Ms. Rafael-Straka should not be estopped from contesting this Court's previous finding of jurisdiction under NRS 136.010(1)(b) because of the "unclean hands of the Personal Representative, and if she should not be so estopped, (ii) whether this Court should exercise its discretion to revisit the issue of jurisdiction even though it is "law of the case."

Ms. Rafael-Straka filed an opposed request for judicial review of the recommendation, including an argument that this Court should revoke letters testamentary because it has no subject matter jurisdiction. After supplemental briefings

1 and oral arguments on Ms. Rafael-Straka's request, this Court upheld the Commissioner's
2 recommendation through oral pronouncements during the August 16, 2021, hearing and
3 an order filed August 26, 2021.¹

4 The current motion argues the recommendation misinterprets the law, and that this
5 Court must adopt the recommendation's finding that there may not be subject matter
6 jurisdiction to dismiss the recommendation's finding an evidentiary hearing is necessary.
7 This is similar to Ms. Rafael-Straka's position from previous briefings and oral argument
8 that this Court has no subject matter jurisdiction and must revoke the letters testamentary
9 and dismiss this matter without the forthcoming evidentiary hearing. The motion
10 alternatively argues that, if this Court finds an evidentiary hearing is necessary, it should
11 limit the scope of the hearing to estoppel under Vaile v. Eighth Judicial Dist. Court, 118
12 Nev. 262, 44 P.3d 506 (2002).

13 This Court adopts its oral pronouncements from the August 16, 2021, hearing and
14 its subsequent order. This Court also notes it makes no ruling as to Ms. Rafael-Straka's
15 subject matter jurisdiction position. As this Court previously stated, Ms. Rafael-Straka's
16 position may ultimately prevail after evidentiary hearing. However, the issues the
17 Commissioner identified arising from Ms. Rafael-Straka's motion to revoke for lack of
18 jurisdiction require an evidentiary hearing. These issues are not limited to the estoppel
19 question. The original motion to revoke letters testamentary remains before the Probate
20 Commissioner and this Court will not limit the scope of the hearing beyond his
21 recommendation. The Commissioner may adjust the scope of the hearing as appropriate.

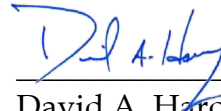
22 Accordingly, and good cause appearing, the motion is denied. This matter will
23 proceed according to the scheduling order.

24 **IT IS SO ORDERED.**

25 ¹ After oral arguments on subject matter jurisdiction at the August 16, 2021, hearing, this Court recited
26 language from Ms. Rafael-Straka's motion to revoke and concluded the language, "if true, will require
27 action; and which, if untrue, demands proof. And that concern articulated by Commissioner Gorman is
28 embedded in the estoppel argument of unclean hands. Commissioner Gorman also mentions that for such a
significant issue, moving paper exhibits are less than adequate; instead, there should be directly admissible
evidence, complete evidence, not excerpts, and further explanations. I cannot find that the evidentiary
hearing is inappropriate, as a matter of summary adjudication." Transcript of Proceedings, Oral Arguments
at 29:25-30:7 (August 16, 2021).

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Dated this 14th day of December, 2021.



David A. Hardy
District Court Judge

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