

U.S. Return of Partnership Income

OMB No. 1545-0099

For calendar year 2008, or tax year beginning _____, 2008, ending _____, 20 _____.
▶ See separate instructions.

2008

A Principal business activity MANUFACTURING	Use the IRS label. Otherwise, print or type.	Name of partnership LAKESIDE VINYL SIDING MFG	D Employer identification number 40-0001812
B Principal product or service SIDING		Number, street, and room or suite no. If a P.O. box, see the instructions. 1234 UNIVERSITY AVE	E Date business started 05-12-2000
C Business code number 238100		City or town, state, and ZIP code GAINESVILLE, FL 32611	F Total assets (see the instructions) \$ 581,434

- G** Check applicable boxes: (1) Initial return (2) Final return (3) Name change (4) Address change (5) Amended return
 (6) Technical termination - also check (1) or (2)
- H** Check accounting method: (1) Cash (2) Accrual (3) Other (specify) ▶ _____
- I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ 2
- J** Check if Schedule M-3 attached

Caution. Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

I n c o m e	1 a Gross receipts or sales	1a	869,658		
	b Less returns and allowances	1b	29,242	1c	840,416
	2 Cost of goods sold (Schedule A, line 8)			2	540,204
	3 Gross profit. Subtract line 2 from line 1c			3	300,212
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach statement)			4	
	5 Net farm profit (loss) (attach Schedule F (Form 1040))			5	
	6 Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)			6	
	7 Other income (loss) (attach statement)			7	
8 Total income (loss). Combine lines 3 through 7			8	300,212	
D e d u c t i o n s (see the instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)			9	52,000
	10 Guaranteed payments to partners			10	
	11 Repairs and maintenance			11	4,000
	12 Bad debts			12	
	13 Rent			13	36,000
	14 Taxes and licenses See ATT. PTL.			14	10,340
	15 Interest			15	8,000
	16 a Depreciation (if required, attach Form 4562)	16a	34,000		
	b Less depreciation reported on Schedule A and elsewhere on return	16b		16c	34,000
	17 Depletion (Do not deduct oil and gas depletion.)			17	
	18 Retirement plans, etc.			18	2,000
19 Employee benefit programs			19	4,000	
20 Other deductions (attach statement) STATEMENT # 4			20	50,750	
21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20			21	201,090	
22 Ordinary business income (loss). Subtract line 21 from line 8			22	99,122	

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

Sign Here	Signature of general partner or limited liability company member manager	Date	04-13-2009
	May the IRS discuss this return with the preparer shown below (see instructions)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed), address, and ZIP code			444-55-6666
	Drake Tax Service 235 East Palmer Street Franklin NC 28734		EIN ▶ 12-3456789	Phone no. (828) 524-8020

Schedule A Cost of Goods Sold (see the instructions)

1	Inventory at beginning of year	1	64,000
2	Purchases less cost of items withdrawn for personal use	2	340,800
3	Cost of labor	3	143,204
4	Additional section 263A costs (attach statement)	4	7,000
5	Other costs (attach statement)	5	90,000
6	Total. Add lines 1 through 5	6	645,004
7	Inventory at end of year	7	104,800
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	540,204

- 9a Check all methods used for valuing closing inventory:
- (i) Cost as described in Regulations section 1.471-3
 - (ii) Lower of cost or market as described in Regulations section 1.471-4
 - (iii) Other (specify method used and attach explanation) ▶ _____
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c)
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? Yes No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory? Yes No
- If "Yes," attach explanation.

Schedule B Other Information

- 1 What type of entity is filing this return? Check the applicable box:
- | | | | |
|--|---|-----|----|
| a <input checked="" type="checkbox"/> Domestic general partnership | b <input type="checkbox"/> Domestic limited partnership | Yes | No |
| c <input type="checkbox"/> Domestic limited liability company | d <input type="checkbox"/> Domestic limited liability partnership | | |
| e <input type="checkbox"/> Foreign partnership | f <input type="checkbox"/> Other ▶ _____ | | |
- 2 At any time during the tax year, was any partner in the partnership a disregarded entity, a partnership (including an entity treated as a partnership), a trust, an S corporation, an estate (other than an estate of a deceased partner), or a nominee or similar person?
- 3 At the end of the tax year:
- a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), or trust own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital

- b Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below

(i) Name of individual or Estate	(ii) Social Security Number or Employer Identification Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Maximum Percentage Owned in Profit, Loss, or Capital
JOHN LAKE	400-00-1001	US	50
FRED LAKE	400-01-0002	US	50

- 4 At the end of the tax year, did the partnership:
- a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock

b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below

Yes	No
	X

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital

5 Did the partnership file Form 8893, Election of Partnership Level Tax Treatment, or an election statement under section 6231(a)(1)(B)(ii) for partnership-level tax treatment, that is in effect for this tax year? See Form 8893 for more details		X
6 Does the partnership satisfy all four of the following conditions?		
a The partnership's total receipts for the tax year were less than \$250,000.		
b The partnership's total assets at the end of the tax year were less than \$1 million.		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
d The partnership is not filing and is not required to file Schedule M-3 If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item L on Schedule K-1.		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)?		X
8 During the tax year, did the partnership have any debt that was cancelled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?		X
9 Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?		X
10 At any time during calendar year 2008, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If "Yes," enter the name of the foreign country. ▶		X
11 At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520, Annual Return to Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions		X
12 a Is the partnership making, or had it previously made (and not revoked), a section 754 election? See instructions for details regarding a section 754 election.		X
b Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions		X
c Is the partnership required to adjust the basis of partnership assets under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions		X
13 Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (including a disregarded entity) ▶ <input type="checkbox"/>		
14 At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in partnership property?		X
15 If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities, enter the number of Forms 8858 attached. See instructions ▶		
16 Does the partnership have any foreign partners? If "Yes," enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership. ▶		X
17 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return. ▶ 0		

Designation of Tax Matters Partner (see instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP	▶ JOHN LAKE	Identifying number of TMP	▶ 400-00-1001
Address of designated TMP	▶ 888 VINYL RD GAINESVILLE, FL 32611		

Schedule K		Partners' Distributive Share Items	Total amount	
Income (Loss)	1	Ordinary business income (loss) (page 1, line 22)	1	99,122
	2	Net rental real estate income (loss) (attach Form 8825)	2	13,395
	3 a	Other gross rental income (loss)	3a	
	b	Expenses from other rental activities (attach statement)	3b	
	c	Other net rental income (loss). Subtract line 3b from line 3a	3c	
	4	Guaranteed payments	4	
	5	Interest income	5	
	6	Dividends: a Ordinary dividends	6a	1,000
	b	Qualified dividends	6b	200
	7	Royalties	7	
	8	Net short-term capital gain (loss) (attach Schedule D (Form 1065))	8	(2,100)
9 a	Net long-term capital gain (loss) (attach Schedule D (Form 1065))	9a	4,500	
b	Collectibles (28%) gain (loss)	9b		
c	Unrecaptured section 1250 gain (attach statement)	9c		
10	Net section 1231 gain (loss) (attach Form 4797)	10		
11	Other income (loss) (see instructions) Type ▶	11		
Deductions	12	Section 179 deduction (attach Form 4562)	12	
	13 a	Contributions	13a	
	b	Investment interest expense	13b	
	c	Section 59(e)(2) expenditures: (1) Type ▶ (2) Amount ▶	13c(2)	
d	Other deductions (see instructions) Type ▶	13d		
Self-Employment	14 a	Net earnings (loss) from self-employment	14a	112,517
	b	Gross farming or fishing income	14b	
	c	Gross nonfarm income	14c	300,212
Credits	15 a	Low-income housing credit (section 42(j)(5))	15a	
	b	Low-income housing credit (other)	15b	
	c	Qualified rehabilitation expenditures (rental real estate) (attach Form 3468)	15c	
	d	Other rental real estate credits (see instructions) Type ▶	15d	
	e	Other rental credits (see instructions) Type ▶	15e	
	f	Other credits (see instructions) Type ▶	15f	
Foreign Transactions	16 a	Name of country or U.S. possession ▶		
	b	Gross income from all sources	16b	
	c	Gross income sourced at partner level Foreign gross income sourced at partnership level	16c	
	d	Passive category ▶ e General category ▶ f Other ▶	16f	
	g	Interest expense ▶ h Other ▶	16h	
	i	Passive category ▶ j General category ▶ k Other ▶	16k	
	l	Total foreign taxes (check one): ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	16l	
	m	Reduction in taxes available for credit (attach statement)	16m	
	n	Other foreign tax information (attach statement)		
	Alternative Minimum Tax (AMT) Items	17 a	Post-1986 depreciation adjustment	17a
b		Adjusted gain or loss	17b	
c		Depletion (other than oil and gas)	17c	
d		Oil, gas, and geothermal properties-gross income	17d	
e		Oil, gas, and geothermal properties-deductions	17e	
f		Other AMT items (attach statement)	17f	
Other Information	18 a	Tax-exempt interest income	18a	2,000
	b	Other tax-exempt income	18b	
	c	Nondeductible expenses	18c	
	19 a	Distributions of cash and marketable securities	19a	
	b	Distributions of other property	19b	
	20 a	Investment income	20a	1,000
b	Investment expenses	20b		
c	Other items and amounts (attach statement)			

Analysis of Net Income (Loss)

1 Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13d, and 16l						1	115,917
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners		115,917					
b Limited partners							

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash		102,206		142,168
2a	Trade notes and accounts receivable	60,744		93,829	
b	Less allowance for bad debts	1,000	59,744	1,000	92,829
3	Inventories		64,000		104,800
4	U.S. government obligations				
5	Tax-exempt securities		100,000		100,000
6	Other current assets (attach statement)	STATEMENT # 27	7,000		
7	Mortgage and real estate loans				
8	Other investments (attach statement)				
9a	Buildings and other depreciable assets	216,000		251,000	
b	Less accumulated depreciation	72,158	143,842	109,363	141,637
10a	Depletable assets				
b	Less accumulated depletion				
11	Land (net of any amortization)				
12a	Intangible assets (amortizable only)				
b	Less accumulated amortization				
13	Other assets (attach statement)				
14	Total assets		476,792		581,434
Liabilities and Capital					
15	Accounts payable		26,000		19,001
16	Mortgages, notes, bonds payable in less than 1 year		4,000		4,000
17	Other current liabilities (attach statement)	STATEMENT # 31	3,600		3,600
18	All nonrecourse loans				
19	Mortgages, notes, bonds payable in 1 year or more		130,000		119,724
20	Other liabilities (attach statement)				
21	Partners' capital accounts		313,192		435,109
22	Total liabilities and capital		476,792		581,434

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note. Schedule M-3 may be required instead of Schedule M-1 (see instructions).

1 Net income (loss) per books	121,917	6 Income recorded on books this year not included on Schedule K, lines 1 through 11 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize):		a Tax-exempt interest \$	2,000
3 Guaranteed payments (other than health insurance)		STATEMENT # 36	4,000
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 13d, and 16l (itemize):		7 Deductions included on Schedule K, lines 1 through 13d, and 16l, not charged against book income this year (itemize):	
a Depreciation \$		a Depreciation \$	
b Travel and entertainment \$		8 Add lines 6 and 7	6,000
5 Add lines 1 through 4	121,917	9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5	115,917

Schedule M-2 Analysis of Partners' Capital Accounts

1 Balance at beginning of year	313,192	6 Distributions:	a Cash	
2 Capital contributed:			b Property	
a Cash		7 Other decreases (itemize):		
b Property				
3 Net income (loss) per books	121,917	8 Add lines 6 and 7		
4 Other increases (itemize):		9 Balance at end of year. Subtract line 8 from line 5		435,109
5 Add lines 1 through 4	435,109			

Rental Real Estate Income and Expenses of a Partnership or an S Corporation

▶ See instructions.
 ▶ Attach to Form 1065, Form 1065-B, or Form 1120S.

OMB No. 1545-1186

Name LAKESIDE VINYL SIDING MFG Employer identification number 40-0001812

1 Show the kind and location of each property. See page 2 to list additional properties.

- A** WAREHOUSE
222 VINLY DR GAINESVILLE FL
- B** _____
- C** _____
- D** _____

	Properties				
		A	B	C	D
Rental Real Estate Income					
2 Gross rents	2	23,000			
Rental Real Estate Expenses					
3 Advertising	3				
4 Auto and travel	4				
5 Cleaning and maintenance	5				
6 Commissions	6				
7 Insurance	7				
8 Legal and other professional fees	8				
9 Interest	9				
10 Repairs	10				
11 Taxes	11	1,600			
12 Utilities	12	3,600			
13 Wages and salaries	13	1,200			
14 Depreciation (see instructions)	14	3,205			
15 Other (list) ▶ _____ _____ _____	15				
16 Total expenses for each property. Add lines 3 through 15	16	9,605			

17 Total gross rents. Add gross rents from line 2, columns A through H **17** 23,000

18 Total expenses. Add total expenses from line 16, columns A through H **18** (9,605)

19 Net gain (loss) from Form 4797, Part II, line 17, from the disposition of property from rental real estate activities **19**

20a Net income (loss) from rental real estate activities from partnerships, estates, and trusts in which this partnership or S corporation is a partner or beneficiary (from Schedule K-1) **20a**

b Identify below the partnerships, estates, or trusts from which net income (loss) is shown on line 20a. Attach a schedule if more space is needed:

(1) Name	(2) Employer identification number
_____	_____
_____	_____
_____	_____

21 Net rental real estate income (loss). Combine lines 17 through 20a. Enter the result here and on: **21** 13,395

**SCHEDULE D
(Form 1065)**

Capital Gains and Losses

OMB No. 1545-0099

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1065.
▶ See separate instructions.

2008

Name of partnership

Employer identification number

LAKESIDE VINYL SIDING MFG

40-0001812

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

(a) Description of property (Example: 100 shares of "Z" Co.)	(b) Date acquired (year, month, day)	(c) Date sold (year, month, day)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
1 ABC 200 SHARES	20070612	20080512	53,900	56,000	(2,100)

2 Short-term capital gain from installment sales from Form 6252, line 26 or 37	2	
3 Short-term capital gain (loss) from like-kind exchanges from Form 8824	3	
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts	4	
5 Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 1065, Schedule K, line 8 or 11	5	(2,100)

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

(a) Description of property (Example: 100 shares of "Z" Co.)	(b) Date acquired (year, month, day)	(c) Date sold (year, month, day)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
6 XYZ 200 SHARES	20010228	20080821	19,500	15,000	4,500

7 Long-term capital gain from installment sales from Form 6252, line 26 or 37	7	
8 Long-term capital gain (loss) from like-kind exchanges from Form 8824	8	
9 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts	9	
10 Capital gain distributions	10	
11 Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 1065, Schedule K, line 9a or 11	11	4,500

For Paperwork Reduction Act Notice, see the Instructions for Form 1065.

EEA

Schedule D (Form 1065) 2008

**Schedule K-1
(Form 1065)**

Department of the Treasury
Internal Revenue Service

2008

For calendar year 2008, or tax
year beginning _____, 2008
ending _____, 20__

Final K-1 Amended K-1

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

▶ See page 2 of form and separate instructions.

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

1 Ordinary business income (loss) 49,561	15 Credits
2 Net rental real estate income (loss) 6,698	
3 Other net rental income (loss)	16 Foreign transactions
4 Guaranteed payments	
5 Interest income	
6a Ordinary dividends 600	
6b Qualified dividends 100	
7 Royalties	
8 Net short-term capital gain (loss) (1,050)	
9a Net long-term capital gain (loss) 2,250	17 Alternative minimum tax (AMT) items
9b Collectibles (28%) gain (loss)	
9c Unrecaptured section 1250 gain	
10 Net section 1231 gain (loss)	18 Tax-exempt income and nondeductible expenses
11 Other income (loss)	A 1,000
12 Section 179 deduction	19 Distributions
13 Other deductions	20 Other information
14 Self-employment earnings (loss) A 56,259 C 150,106	A 500

*See attached statement for additional information.

FOR IRS USE ONLY

Part I Information About the Partnership

A Partnership's employer identification number
40-0001812

B Partnership's name, address, city, state, and ZIP code
LAKESIDE VINYL SIDING MFG
1234 UNIVERSITY AVE
GAINESVILLE, FL 32611

C IRS Center where partnership filed return
OGDEN

D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number
400-00-1001

F Partner's name, address, city, state, and ZIP code
JOHN LAKE
888 VINYL RD
GAINESVILLE, FL 32611

G General partner or LLC member-manager Limited partner or other LLC member

H Domestic partner Foreign partner

I What type of entity is this partner? INDIVIDUAL

J Partner's share of profit, loss, and capital (see instructions):

	Beginning		Ending	
Profit	50.000	%	50.000	%
Loss	50.000	%	50.000	%
Capital	50.000	%	50.000	%

K Partner's share of liabilities at year end:

Nonrecourse \$ _____

Qualified nonrecourse financing \$ _____

Recourse \$ _____

L Partner's capital account analysis:

Beginning capital account \$ **156,596**

Capital contributed during the year \$ _____

Current year increase (decrease) \$ **60,959**

Withdrawals & distributions \$ (_____)

Ending capital account \$ **217,555**

Tax basis GAAP Section 704(b) book

Other (explain)

Partner's Adjusted Basis Worksheet

2008

Keep for your records.

Partner Number:	TIN: 400-00-1001	Tax year ending: 12-31-2008	Ownership %: 50.000000
Name of Partner: JOHN LAKE			
Name of Partnership: LAKESIDE VINYL SIDING MFG			EIN 40-0001812

<p>A. Partner's share of partnership liabilities (Sch K-1, Item M) _____</p> <p>B. Partner's share of partnership liabilities from PRIOR year _____</p> <p>C. Increases (Decrease) in share of Partnership Liabilities During this tax period _____</p> <p>1. Adjusted Basis from preceding year _____</p> <p>2. Capital contributions of property _____</p> <p style="padding-left: 20px;">a. Gain (if any) recognized this year on contribution of property to partnership _____</p> <p style="padding-left: 20px;">b. Cash contributed during the year _____</p> <p style="padding-left: 20px;">c. Adjusted basis of property contributed during the year _____</p> <p style="padding-left: 20px;">d. Partnership interest acquired other than by cash or property _____</p> <p style="padding-left: 40px;">Total additional contributions (Total lines 2a-2d) _____</p> <p>3. Items of Income or Gain for this period _____</p> <p style="padding-left: 20px;">a. Ordinary Income (Sch K-1, Line 1) _____</p> <p style="padding-left: 20px;">b. Real Estate Rental Income (Sch K-1, Line 2) _____</p> <p style="padding-left: 20px;">c. Other Rental Income (Sch K-1, Line 3c) _____</p> <p style="padding-left: 20px;">d. Interest, Dividends & Royalties (Sch K-1, Lines 5, 6a & 7) _____</p> <p style="padding-left: 20px;">e. Capital Gain (Sch K-1, Lines 8 & 9a) _____</p> <p style="padding-left: 20px;">f. Other Portfolio Income (Sch K-1, Line 11a) _____</p> <p style="padding-left: 20px;">g. Section 1231 Gain (Sch K-1, Line 10) _____</p> <p style="padding-left: 20px;">h. Other Income (Sch K-1, Line 11f) _____</p> <p style="padding-left: 20px;">i. Tax Exempt Income (Sch K-1, Lines 18a & b) _____</p> <p style="padding-left: 20px;">j. Excess Depletion Adjustment _____</p> <p style="padding-left: 20px;">k. Increase from Recapture of Business Credits _____</p> <p style="padding-left: 20px;">i. Gain from 179 disposition _____</p> <p style="padding-left: 40px;">(See IR§ 49(a), 50(a), 50(c)(2) & 1371 (d))</p> <p style="padding-left: 40px;">Total items of Income or Gains (Total lines 3a-3l) _____</p> <p>4. Increase in Partnership Share of Partnership Liabilities from line C above _____</p> <p>5. Total increases in basis (combine lines 1 through 4) _____</p> <p>6. Cash Distributions to the Partner during the year _____</p> <p>7. Decrease in Partner's Share of Partnership Liabilities from line C above _____</p> <p>8 a. Decrease for Non-Deductible Expenses/Credit Adjustments _____</p> <p style="padding-left: 20px;">b. Decrease for Depletion _____</p> <p style="padding-left: 40px;">Total other decreases (lines 8a-8b) _____</p> <p>9. Subtotal - basis after all distributions and other decreases (Line 5 minus lines 6-8) _____</p> <p>10. Items of Losses and Deductions (Allowed for the current year) _____</p> <p style="padding-left: 20px;">a. Ordinary Loss (Page 2, Col e, Line 10a) _____</p> <p style="padding-left: 20px;">b. Real Estate Rental Loss (Page 2, Col e, Line 10b) _____</p> <p style="padding-left: 20px;">c. Other Rental Loss (Page 2, Col e, Line 10c) _____</p> <p style="padding-left: 20px;">d. Capital Loss (Page 2, Col e, Line 10d) _____</p> <p style="padding-left: 20px;">e. Other Portfolio Loss (Page 2, Col e, Line 10e) _____</p> <p style="padding-left: 20px;">f. Section 1231 Loss (Page 2, Col e, Line 10f) _____</p> <p style="padding-left: 20px;">g. Other Loss (Page 2, Col e, Line 10g) _____</p> <p style="padding-left: 20px;">h. Charitable Contributions (Page 2, Col e, Line 10h) _____</p> <p style="padding-left: 20px;">i. Section 179 Expense (Page 2, Col e, Line 10i) _____</p> <p style="padding-left: 20px;">j. Portfolio Income Expenses (Page 2, Col e, Line 10j) _____</p> <p style="padding-left: 20px;">k. Other Deductions (Page 2, Col e, Line 10k) _____</p> <p style="padding-left: 20px;">l. Interest Expense on Investment Debt (Page 2, Col e, Line 10l) _____</p> <p style="padding-left: 20px;">m. Total Foreign Taxes Paid/Accrued (Page 2, Col e, Line 10m) _____</p> <p style="padding-left: 20px;">n. Section 59(e) Expenditures (Page 2, Col e, Line 10n) _____</p> <p style="padding-left: 20px;">o. Other decreases (Page 2, Col e, Line 10o) _____</p> <p style="padding-left: 20px;">p. Loss from 179 disposition (Page 2, Col e, Line 10p) _____</p> <p style="padding-left: 40px;">Total items of Losses and Deductions (Total lines 10a-10p) _____</p> <p>11. Adjusted Basis of Partnership Interest (Cannot be negative) (Line 9-Line 10) At-Risk Basis _____</p> <p>12. At-risk adjustment: (Amount from lines 5) _____</p> <p>13. Enter the amount from lines 6, 7, 8 and 10 _____</p> <p>14. Enter any nonrecourse loans, etc. _____</p> <p>15. Enter the FMV of partner's personal property not used in the partnership that secures a nonrecourse loan on line 14 _____</p> <p>16. Combine lines 12 through 15. If negative, no current year loss can be deducted. See Form 6198 _____</p>	<p>A. _____</p> <p>B. _____</p> <p>C. _____</p> <p>1. _____</p> <p>2. _____</p> <p>3 a. <u>49,561</u></p> <p>b. <u>6,698</u></p> <p>c. _____</p> <p>d. <u>600</u></p> <p>e. <u>2,250</u></p> <p>f. _____</p> <p>g. _____</p> <p>h. _____</p> <p>i. <u>1,000</u></p> <p>j. _____</p> <p>k. _____</p> <p>3. <u>60,109</u></p> <p>4. _____</p> <p>5. <u>60,109</u></p> <p>6. _____</p> <p>7. _____</p> <p>8 a. _____</p> <p>b. _____</p> <p>8. _____</p> <p>9. <u>60,109</u></p> <p>10 a. _____</p> <p>b. _____</p> <p>c. _____</p> <p>d. <u>1,050</u></p> <p>e. _____</p> <p>f. _____</p> <p>g. _____</p> <p>h. _____</p> <p>i. _____</p> <p>j. _____</p> <p>k. _____</p> <p>l. _____</p> <p>m. _____</p> <p>n. _____</p> <p>o. _____</p> <p>p. _____</p> <p>10. <u>1,050</u></p> <p>11. <u>59,059</u></p> <p>12. <u>60,109</u></p> <p>13. <u>1,050</u></p> <p>14. _____</p> <p>15. <u>15,000</u></p> <p>16. <u>74,059</u></p>
--	--

Allocation of Losses and Deductions

2008

Keep for your records.

Partner Number:	TIN: 400-00-1001	Year Ended: 12-31-2008	Ownership %: 50.000000
Partner Name: JOHN LAKE			
Partnership Name: LAKESIDE VINYL SIDING MFG			EIN: 40-0001812

		(a) Beginning of Year Losses and Deductions	(b) Current Year Losses and Deductions	(c) Total Losses and Deductions	(d) %	(e) Allocable Losses and Deductions in Current Year	(f) Disallowed Losses and Deductions (Carryover to Next Year)
10a Ordinary losses from trade or business	(Sch K-1, Line 1)						
b Net losses from rental real estate activities	(Sch K-1, Line 2)						
c Net losses from other rental activities	(Sch K-1, Line 3)						
d Net short-term capital losses	(Sch K-1, Lines 8 & 9a)		1,050	1,050	100.000000	1,050	
d Net long-term capital losses							
e Other portfolio losses	(Sch K-1, Line 11a)						
f Net losses under Section 1231	(Sch K-1, Line 10)						
g Other losses	(Sch K-1, Line 11f)						
h Charitable contributions	(Sch K-1, Lines 13a-g)						
i Section 179 expense deduction	(Sch K-1, Line 12)						
j Portfolio income expenses	(Sch K-1, Lines 13k & l)						
k Other deductions	(Sch K-1, Lines 13m-s,w)						
l Interest expense on investment debts	(Sch K-1, Line 13h)						
m Foreign taxes paid or accrued	(Sch K-1, Lines 16i & m)						
n Section 59(e) expenditures	(Sch K-1, Line 13j)						
o Other decreases							
p Loss from 179 asset							
Total deductible losses and deductions			1,050	1,050		1,050	
8a Nondeductible expenses & credit adj							
b Oil and gas depletion							
Total nondeductible losses and deductions							
Totals			1,050	1,050		1,050	

**Schedule K-1
(Form 1065)**

Department of the Treasury
Internal Revenue Service

2008

For calendar year 2008, or tax
year beginning _____, 2008
ending _____, 20__

Final K-1 Amended K-1

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

▶ See page 2 of form and separate instructions.

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

1 Ordinary business income (loss) 49,561	15 Credits
2 Net rental real estate income (loss) 6,697	
3 Other net rental income (loss)	16 Foreign transactions
4 Guaranteed payments	
5 Interest income	
6a Ordinary dividends 400	
6b Qualified dividends 100	
7 Royalties	
8 Net short-term capital gain (loss) (1,050)	
9a Net long-term capital gain (loss) 2,250	17 Alternative minimum tax (AMT) items
9b Collectibles (28%) gain (loss)	
9c Unrecaptured section 1250 gain	
10 Net section 1231 gain (loss)	18 Tax-exempt income and nondeductible expenses
11 Other income (loss)	A 1,000
12 Section 179 deduction	19 Distributions
13 Other deductions	20 Other information
14 Self-employment earnings (loss) A 56,259 C 150,106	A 500

Part I Information About the Partnership

A Partnership's employer identification number
40-0001812

B Partnership's name, address, city, state, and ZIP code
LAKESIDE VINYL SIDING MFG
1234 UNIVERSITY AVE
GAINESVILLE, FL 32611

C IRS Center where partnership filed return
OGDEN

D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number
400-00-1002

F Partner's name, address, city, state, and ZIP code
FRED LAKE
1015 SIDING WAY
GAINESVILLE, FL 32611

G General partner or LLC member-manager Limited partner or other LLC member

H Domestic partner Foreign partner

I What type of entity is this partner? **INDIVIDUAL**

J Partner's share of profit, loss, and capital (see instructions):

	Beginning		Ending	
Profit	50.000	%	50.000	%
Loss	50.000	%	50.000	%
Capital	50.000	%	50.000	%

K Partner's share of liabilities at year end:

Nonrecourse \$ _____

Qualified nonrecourse financing \$ _____

Recourse \$ _____

L Partner's capital account analysis:

Beginning capital account \$ **156,596**

Capital contributed during the year \$ _____

Current year increase (decrease) \$ **60,958**

Withdrawals & distributions \$ (_____)

Ending capital account \$ **217,554**

Tax basis GAAP Section 704(b) book

Other (explain)

*See attached statement for additional information.

FOR IRS USE ONLY

Partner's Adjusted Basis Worksheet

2008

Keep for your records.

Partner Number:	TIN: 400-00-1002	Tax year ending: 12-31-2008	Ownership %: 50.000000
Name of Partner: FRED LAKE			
Name of Partnership: LAKESIDE VINYL SIDING MFG			EIN 40-0001812

<p>A. Partner's share of partnership liabilities (Sch K-1, Item M) _____</p> <p>B. Partner's share of partnership liabilities from PRIOR year _____</p> <p>C. Increases (Decrease) in share of Partnership Liabilities During this tax period _____</p> <p>1. Adjusted Basis from preceding year _____</p> <p>2. Capital contributions of property _____</p> <p style="padding-left: 20px;">a. Gain (if any) recognized this year on contribution of property to partnership _____</p> <p style="padding-left: 20px;">b. Cash contributed during the year _____</p> <p style="padding-left: 20px;">c. Adjusted basis of property contributed during the year _____</p> <p style="padding-left: 20px;">d. Partnership interest acquired other than by cash or property _____</p> <p style="padding-left: 40px;">Total additional contributions (Total lines 2a-2d) _____</p> <p>3. Items of Income or Gain for this period _____</p> <p style="padding-left: 20px;">a. Ordinary Income (Sch K-1, Line 1) _____</p> <p style="padding-left: 20px;">b. Real Estate Rental Income (Sch K-1, Line 2) _____</p> <p style="padding-left: 20px;">c. Other Rental Income (Sch K-1, Line 3c) _____</p> <p style="padding-left: 20px;">d. Interest, Dividends & Royalties (Sch K-1, Lines 5, 6a & 7) _____</p> <p style="padding-left: 20px;">e. Capital Gain (Sch K-1, Lines 8 & 9a) _____</p> <p style="padding-left: 20px;">f. Other Portfolio Income (Sch K-1, Line 11a) _____</p> <p style="padding-left: 20px;">g. Section 1231 Gain (Sch K-1, Line 10) _____</p> <p style="padding-left: 20px;">h. Other Income (Sch K-1, Line 11f) _____</p> <p style="padding-left: 20px;">i. Tax Exempt Income (Sch K-1, Lines 18a & b) _____</p> <p style="padding-left: 20px;">j. Excess Depletion Adjustment _____</p> <p style="padding-left: 20px;">k. Increase from Recapture of Business Credits _____</p> <p style="padding-left: 20px;">i. Gain from 179 disposition _____</p> <p style="padding-left: 40px;">(See IR§ 49(a), 50(a), 50(c)(2) & 1371 (d))</p> <p style="padding-left: 40px;">Total items of Income or Gains (Total lines 3a-3l) _____</p> <p>4. Increase in Partnership Share of Partnership Liabilities from line C above _____</p> <p>5. Total increases in basis (combine lines 1 through 4) _____</p> <p>6. Cash Distributions to the Partner during the year _____</p> <p>7. Decrease in Partner's Share of Partnership Liabilities from line C above _____</p> <p>8 a. Decrease for Non-Deductible Expenses/Credit Adjustments _____</p> <p style="padding-left: 20px;">b. Decrease for Depletion _____</p> <p style="padding-left: 40px;">Total other decreases (lines 8a-8b) _____</p> <p>9. Subtotal - basis after all distributions and other decreases (Line 5 minus lines 6-8) _____</p> <p>10. Items of Losses and Deductions (Allowed for the current year) _____</p> <p style="padding-left: 20px;">a. Ordinary Loss (Page 2, Col e, Line 10a) _____</p> <p style="padding-left: 20px;">b. Real Estate Rental Loss (Page 2, Col e, Line 10b) _____</p> <p style="padding-left: 20px;">c. Other Rental Loss (Page 2, Col e, Line 10c) _____</p> <p style="padding-left: 20px;">d. Capital Loss (Page 2, Col e, Line 10d) _____</p> <p style="padding-left: 20px;">e. Other Portfolio Loss (Page 2, Col e, Line 10e) _____</p> <p style="padding-left: 20px;">f. Section 1231 Loss (Page 2, Col e, Line 10f) _____</p> <p style="padding-left: 20px;">g. Other Loss (Page 2, Col e, Line 10g) _____</p> <p style="padding-left: 20px;">h. Charitable Contributions (Page 2, Col e, Line 10h) _____</p> <p style="padding-left: 20px;">i. Section 179 Expense (Page 2, Col e, Line 10i) _____</p> <p style="padding-left: 20px;">j. Portfolio Income Expenses (Page 2, Col e, Line 10j) _____</p> <p style="padding-left: 20px;">k. Other Deductions (Page 2, Col e, Line 10k) _____</p> <p style="padding-left: 20px;">l. Interest Expense on Investment Debt (Page 2, Col e, Line 10l) _____</p> <p style="padding-left: 20px;">m. Total Foreign Taxes Paid/Accrued (Page 2, Col e, Line 10m) _____</p> <p style="padding-left: 20px;">n. Section 59(e) Expenditures (Page 2, Col e, Line 10n) _____</p> <p style="padding-left: 20px;">o. Other decreases (Page 2, Col e, Line 10o) _____</p> <p style="padding-left: 20px;">p. Loss from 179 disposition (Page 2, Col e, Line 10p) _____</p> <p style="padding-left: 40px;">Total items of Losses and Deductions (Total lines 10a-10p) _____</p>	<p>A. _____</p> <p>B. _____</p> <p>C. _____</p> <p>1. _____</p> <p>2. _____</p> <p>3 a. <u>49,561</u></p> <p>b. <u>6,697</u></p> <p>c. _____</p> <p>d. <u>400</u></p> <p>e. <u>2,250</u></p> <p>f. _____</p> <p>g. _____</p> <p>h. _____</p> <p>i. <u>1,000</u></p> <p>j. _____</p> <p>k. _____</p> <p>3. <u>59,908</u></p> <p>4. _____</p> <p>5. <u>59,908</u></p> <p>6. _____</p> <p>7. _____</p> <p>8 a. _____</p> <p>b. _____</p> <p>8. _____</p> <p>9. <u>59,908</u></p> <p>10 a. _____</p> <p>b. _____</p> <p>c. _____</p> <p>d. <u>1,050</u></p> <p>e. _____</p> <p>f. _____</p> <p>g. _____</p> <p>h. <u>9,000</u></p> <p>i. _____</p> <p>j. _____</p> <p>k. _____</p> <p>l. _____</p> <p>m. _____</p> <p>n. _____</p> <p>o. _____</p> <p>p. _____</p> <p>10. <u>10,050</u></p> <p>11. <u>49,858</u></p> <p>12. <u>59,908</u></p> <p>13. <u>10,050</u></p> <p>14. _____</p> <p>15. _____</p> <p>16. <u>49,858</u></p>
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Allocation of Losses and Deductions

2008

Keep for your records.

Partner Number:	TIN: 400-00-1002	Year Ended: 12-31-2008	Ownership %: 50.000000
Partner Name: FRED LAKE			
Partnership Name: LAKESIDE VINYL SIDING MFG			EIN: 40-0001812

		(a) Beginning of Year Losses and Deductions	(b) Current Year Losses and Deductions	(c) Total Losses and Deductions	(d) %	(e) Allocable Losses and Deductions in Current Year	(f) Disallowed Losses and Deductions (Carryover to Next Year)
10a Ordinary losses from trade or business	(Sch K-1, Line 1)						
b Net losses from rental real estate activities	(Sch K-1, Line 2)						
c Net losses from other rental activities	(Sch K-1, Line 3)						
d Net short-term capital losses	(Sch K-1, Lines 8 & 9a)		1,050	1,050	10.447761	1,050	
d Net long-term capital losses							
e Other portfolio losses	(Shc K-1, Line 11a)						
f Net losses under Section 1231	(Sch K-1, Line 10)						
g Other losses	(Sch K-1, Line 11f)						
h Charitable contributions	(Sch K-1, Lines 13a-g)	9,000		9,000	89.552239	9,000	
i Section 179 expense deduction	(Sch K-1, Line 12)						
j Portfolio income expenses	(Sch K-1, Lines 13k & l)						
k Other deductions	(Sch K-1, Lines 13m-s,w)						
l Interest expense on investment debts	(Sch K-1, Line 13h)						
m Foreign taxes paid or accrued	(Sch K-1, Lines 16i & m)						
n Section 59(e) expenditures	(Sch K-1, Line 13j)						
o Other decreases							
p Loss from 179 asset							
Total deductible losses and deductions		9,000	1,050	10,050		10,050	
8a Nondeductible expenses & credit adj							
b Oil and gas depletion							
Total nondeductible losses and deductions							
Totals		9,000	1,050	10,050		10,050	

Depreciation and Amortization (Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions. ▶ Attach to your tax return.

2008
Attachment
Sequence No. **67**

Name(s) shown on return

Business or activity to which this form relates

Identifying number

LAKESIDE VINYL SIDING MFG

FORM 1065

40-0001812

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 the instructions for a higher limit for certain businesses	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

	(a) Description of property	(b) Cost (business use only)	(c) Elected cost	
6				
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 2007 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 do not enter more than line 11		12	
13	Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12	13		

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not 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	17,500
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	13,000

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2008	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B - Assets Placed in Service During 2008 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		17,500	5	HY	200 DB	3,500
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			39 yrs.	MM	S/L	

Section C - Assets Placed in Service During 2008 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 instr.	22	34,000
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	

Depreciation and Amortization (Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions. ▶ Attach to your tax return.

2008
Attachment
Sequence No. **67**

Name(s) shown on return

Business or activity to which this form relates

Identifying number

LAKESIDE VINYL SIDING MFG

FORM 8825 - 1

40-0001812

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 the instructions for a higher limit for certain businesses	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

	(a) Description of property	(b) Cost (business use only)	(c) Elected cost	
6				
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 2007 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 do not enter more than line 11		12	
13	Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12	13		

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not 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	3,205

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2008	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B - Assets Placed in Service During 2008 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			39 yrs.	MM	S/L	

Section C - Assets Placed in Service During 2008 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 instr.	22	3,205
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	

Federal Supporting Statements

2008 PG01

Name(s) as shown on return

Your Social Security Number

LAKESIDE VINYL SIDING MFG

40-0001812

Form 1065 Line 20 - Other Deductions

STATEMENT # 4

<u>DESCRIPTION</u>	<u>AMOUNT</u>
ACCOUNTING	8,000
INSURANCE - BUILDING AND EQUIPMENT	4,000
INSURANCE - LIABILITY	4,000
INSURANCE - WORKERS COMP	4,000
JANITORIAL	11,250
LEGAL AND PROFESSIONAL	6,000
OFFICE EXPENSE	4,000
POSTAGE/SHIPPING	2,000
SUPPLIES	6,500
TELEPHONE	1,000
	<hr/>
TOTAL	<u>50,750</u>

Federal Supporting Statements

2008 PG01

Name(s) as shown on return

Your Social Security Number

LAKESIDE VINYL SIDING MFG

40-0001812

SCHEDULE A LINE 4

STATEMENT # 8

DESCRIPTION
WAREHOUSING

AMOUNT

7,000

TOTAL

7,000

Federal Supporting Statements

2008 PG01

Name(s) as shown on return

Your Social Security Number

LAKESIDE VINYL SIDING MFG

40-0001812

SCHEDULE A LINE 5

STATEMENT # 9

<u>DESCRIPTION</u>	<u>AMOUNT</u>
UTILITIES	17,000
PROFESSIONAL FEES	60,000
MISCELLANEOUS	<u>13,000</u>
TOTAL	<u><u>90,000</u></u>

Federal Supporting Statements

2008 PG01

Name(s) as shown on return

Your Social Security Number

LAKESIDE VINYL SIDING MFG

40-0001812

FORM 1065, SCHEDULE L, LINE 6

STATEMENT # 27

DESCRIPTION

BEG OF YEAR

END OF YEAR

PREPAID INSURANCE

7,000

TOTAL

7,000

Federal Supporting Statements

2008 PG01

Name(s) as shown on return

Your Social Security Number

LAKESIDE VINYL SIDING MFG

40-0001812

FORM 1065, SCHEDULE L, LINE 17

STATEMENT # 31

<u>DESCRIPTION</u>	<u>BEG OF YEAR</u>	<u>END OF YEAR</u>
PROFIT SHARING	<u>3,600</u>	<u>3,600</u>
TOTAL	<u><u>3,600</u></u>	<u><u>3,600</u></u>

Federal Supporting Statements

2008 PG01

Name(s) as shown on return

Your Social Security Number

LAKESIDE VINYL SIDING MFG

40-0001812

SCH M-1 LINE 6A

STATEMENT # 36

DESCRIPTION

AMOUNT

UNREALIZED GAIN

4,000

TOTAL

4,000

1065

Overflow Statement

2008
Page 1

Name(s) as shown on return

FEIN

LAKESIDE VINYL SIDING MFG

40-0001812

PRIOR YEAR CONTRIBUTIONS

Description	Amount
UNITED WAY	\$ 3,000
TREE CITY USA	3,000
RELAY FOR LIFE	3,000
Total:	\$ 9,000

1065

K-1 Listing

2008

Partnership

EIN

LAKESIDE VINYL SIDING MFG

40-0001812

PARTNER			Type	% Profit	% Loss	% Capital	Ordinary Income (Line 1)	Rental Income (Line 2+3)	Guaranteed Payments (Line 4)
Name	EIN/SSN	Res State							
JOHN LAKE	400-00-1001	FL	IND	50.000	50.000	50.000	49,561	6,698	
FRED LAKE	400-00-1002		IND	50.000	50.000	50.000	49,561	6,697	
Totals				100.000	100.000	100.000	99,122	13,395	

Figures may be slightly off due to rounding if percentages have more than two decimal places.

(Keep for your records)

PARTNERSHIP NAME

EIN

LAKESIDE VINYL SIDING MFG

40-0001812

Description	Lines 1-13	Schedule K	K-1 Totals	Difference
1	Ordinary business income (loss)	99,122	99,122	
2	Net rental real estate income (loss)	13,395	13,395	
3	Other net rental income (loss)			
4	Guaranteed payments			
5	Interest income			
6 a	Ordinary dividends	1,000	1,000	
b	Qualified dividends	200	200	
7	Royalties			
8	Net short-term capital gain (loss)	(2,100)	(2,100)	
9 a	Net long-term capital gain (loss)	4,500	4,500	
b	Collectibles (28%) gain (loss)			
c	Unrecaptured section 1250 gain			
10	Net section 1231 gain (loss)			
11 A	Other portfolio income (loss)			
B	Involuntary conversions			
C	Sec. 1256 contracts & straddles			
D	Mining exploration costs recapture			
E	Cancellation of debt			
F	Other income (loss)			
12	Section 179 deduction			
13 A	Cash contributions (50%)			
B	Cash contributions (30)			
C	Noncash contributions (50%)			
D	Noncash contributions (30%)			
E	Capital gain property to a 50% organization (30%)			
F	Capital gain property (20%)			
G	Contributions (100%)			
H	Investment interest expense			
I	Deductions - royalty income			
J	Section 59(e)(2) expenditures			
K	Deductions - portfolio (2% floor)			
L	Deductions - portfolio (other)			
M	Amounts paid for medical insurance			
N	Educational assistance benefits			
O	Dependent care benefits			
P	Preproductive period expenses			
Q	Commercial revitalization ded. from rental real estate activities			
R	Pensions and IRAs			
S	Reforestation expense deduction			
T	Domestic production activities information			
U	Qualified production activities income			
V	Employer's W-2 wages			
W	Other deductions			

(Keep for your records)

PARTNERSHIP NAME

EIN

LAKESIDE VINYL SIDING MFG

40-0001812

Description Lines 14 - 16	Schedule K	K-1 Totals	Difference
14 A Net earnings (loss) from self-employment	112,517	112,518	(1)
B Gross farming or fishing income			
C Gross non-farm income	300,212	300,212	
15 A Low-income housing credit (section 42(j)(5)) - Pre 2008			
B Low-income housing credit other - Pre 2008			
C Low-income housing credit (section 42(j)(5)) - Post 2007			
D Low-income housing credit other - Post 2007			
E Qualified rehabilitation expenditures (rental real estate)			
F Other rental real estate credits			
G Other rental credits			
H Undistributed capital gains credit			
I Credit for alcohol used as fuel			
J Work opportunity credit			
K Disabled access credit			
L Empowerment zone & rental comm. employment credit			
M Credit for increasing research activities			
N Credit for employer social security and Medicare taxes			
O Backup withholding			
P Other credits			
16 B Gross income from all sources			
C Gross income sourced at partner level			
D Passive			
E General			
F Other			
G Interest expense			
H Other			
I Passive			
J General			
K Other			
L Total foreign taxes paid			
M Total foreign taxes accrued			
N Reduction in taxes available for credit			
O Foreign trading gross receipts			
P Extraterritorial income exclusion			
Q Other foreign transactions			

(Keep for your records)

PARTNERSHIP NAME

EIN

LAKESIDE VINYL SIDING MFG

40-0001812

Description Lines 17 - 20	Schedule K	K-1 Totals	Difference
17 A Post - 1986 depreciation adjustment			
B Adjusted gain (loss)			
C Depletion (other than oil & gas)			
D Oil, gas & geothermal-gross income			
E Oil, gas & geothermal-deductions			
F Other AMT items			
18 A Tax-exempt interest income	2,000	2,000	
B Other tax-exempt income			
C Nondeductible expenses			
19 A Dist. of cash and marketable securities			
B Dist. of other property			
C Dist. subject to sec 737			
20 A Investment income	1,000	1,000	
B Investment expenses			
C Fuel tax credit information			
D Qualified rehabilitation expenditures			
E Basis of energy property			
F Recapture of low-income housing credit (sec. 42(j)(5))			
G Recapture of low-income housing credit (other)			
H Recapture of investment credit			
I Recapture of other credits			
J Look-back interest-completed long-term contracts			
K Look-back interest-income forecast method			
L Dispositions of property with section 179 deductions			
M Recapture of section 179 deduction			
N Interest expense for corporate partners			
O Section 453 (l)(3) information			
P Section 453A(c) information			
Q Section 1260(b) information			
R Interest allocable to production expenditures			
S CCF nonqualified withdrawals			
T Information needed to figure depletion-oil and gas			
U Amortization of reforestation costs			
V Unrelated business taxable income			
W Precontribution gain(loss)			
X Other information			

Schedule M-2

1 Partner's Beginning Capital	313,192	313,192	
2 Capital Contributions			
3 Net income or loss	121,917	121,917	
4 Distributions			
5 Partner's Ending Capital	435,109	435,109	

Taxes and Licenses Attachment

2008

PARTNERSHIP NAME

LAKESIDE VINYL SIDING MFG

EIN

40-0001812

Taxes and Licenses

Form 1065

Page 1, Line 14

1 State income taxes	1	
2 State franchise taxes	2	
3 City income taxes	3	
4 City franchise taxes	4	
5 Local property taxes	5	4,820
6 Intangible property taxes	6	4,000
7 Payroll taxes	7	
8 Less: credit from Form 8846	8	
9 Foreign taxes paid	9	
10 Occupancy taxes	10	
11 Other miscellaneous taxes	11	
12 Licenses	12	1,520
13 Total to Form 1065, Page 1, Line 14	13	10,340

Note: This information does not transmit to the IRS with e-filed returns. Including with a paper filed return is optional.

Capital Account Reconciliation

(Keep for your records)

2008

Page 1

PARTNERSHIP NAME

EIN

LAKESIDE VINYL SIDING MFG

40-0001812

Partner Name	Beginning Capital Account	Capital Contributed During Year	Partner's Share of Lines 3, 4 and 7 Form 1065, Sch M-2	Withdrawals and Distributions	Ending Capital Account
JOHN LAKE	156,596		60,959		217,555
FRED LAKE	<u>156,596</u>		<u>60,958</u>		<u>217,554</u>
TOTALS	<u><u>313,192</u></u>		<u><u>121,917</u></u>		<u><u>435,109</u></u>

**Worksheet for Figuring Net Earnings (Loss)
From Self-Employment**
(Keep for your records)

2008

Name(s) as shown on return

Identifying Number

LAKESIDE VINYL SIDING MFG

40-0001812

1a	Ordinary business income (loss) (Schedule K, line 1)	1a	99,122		
b	Net income (loss) from certain rental real estate activities (see instructions) . . .	1b	13,395		
c	Other net rental income (loss) (Schedule K, line 3c)	1c			
d	Net loss from Form 4797, Part II, line 17, included on line 1a above. Enter as a positive amount	1d			
e	Combine lines 1a through 1d	1e	112,517		
2	Net gain from Form 4797, Part II, line 17, included on line 1a above	2			
3a	Subtract line 2 from line 1e. If line 1e is a loss, increase the loss on line 1e by the amount on line 2	3a	112,517		
b	Part of line 3a allocated to limited partners, estates, trusts, corporations, exempt organizations, and IRAs	3b			
c	Subtract line 3b from line 3a. If line 3a is a loss, reduce the loss on line 3a by the amount on line 3b. Include each individual general partner's share in box 14 of Schedule K-1, using code A	3c		112,517	
4a	Guaranteed payments to partners (Schedule K, line 4) derived from a trade or business as defined in section 1402(c) (see instructions)	4a			
b	Part of line 4a allocated to individual limited partners for other than services and to estates, trusts, corporations, exempt organizations, and IRAs	4b			
c	Subtract line 4b from line 4a. Include each individual general partner's share and each individual limited partner's share in box 14 of Schedule K-1, using code A	4c			
5	Net earnings (loss) from self-employment. Combine lines 3c and 4c. Enter here and on Schedule K, line 14a .	5		112,517	

* Item was disposed
of during current year.

Depreciation Detail Listing

FORM 1065

For your records only

2008

PAGE 1

Name(s) as shown on return

LAKESIDE VINYL SIDING MFG

Social security number/EIN

40-0001812

No.	Description	Date	Cost	Salvage	Business percentage	Section 179	Depreciation Basis	Life	Method	Rate	Current depr.	Accumulated Depreciation	Prior expense	Bonus depreciation	AMT Current
1	TRUCK	20080515	35,000		100.00		17,500	5	200 DB HY	20	3,500	21,000		CY/50 17,500	3,500
2	SAW	20040615	26,000		100.00		26,000	7	S/L HY	14.286	3,714	10,214			3,714
3	FORKLIFT	20031122	65,000		100.00		65,000	7	S/L MQ	14.286	9,286	55,714			9,286
Totals			126,000				108,500				16,500	86,928		CY 17,500	16,500

Land Amount
Net Depreciable Cost 126,000

ST ADJ: 14,000

Depreciation Detail Listing

2008

PAGE 1

WAREHOUSE

For your records only

* Item was disposed
of during current year.

Name(s) as shown on return

Social security number/EIN

LAKESIDE VINYL SIDING MFG

40-0001812

No.	Description	Date	Cost	Salvage	Business percentage	Section 179	Depreciation Basis	Life	Method	Rate	Current depr.	Accumulated Depreciation	Prior expense	Bonus depreciation	AMT Current
4	WAREHOUSE	20020515	125,000		100.00		125,000	39	S/L MM	2.564	3,205	22,435			3,205
Totals			125,000				125,000				3,205	22,435			3,205

Land Amount
Net Depreciable Cost

125,000

ST ADJ:

1065

Partnership
Diagnostic Summary

2008

Name

LAKESIDE VINYL SIDING MFG

Employer Identification #

40-0001812

Demographics

Mailing Address: 1234 UNIVERSITY AVE
GAINESVILLE, FL 32611

Phone: (904) 222-2222

Resident State: 0

Diagnostics

Preparer: David

Invoice:

Date: 04-13-2009

Return Information

Item on Return	2008 Federal	2007 Federal (If available)
Total Assets	581,434	
Number of Partners	2	□□□
Gross Receipts/Sales	869,658	
Total Income	300,212	
Total Deductions	201,090	
Ordinary Income	99,122	
Total Equity	435,109	

State/City Information

<u>State/City</u>	<u>Gross Income</u>	<u>Taxable Income</u>	<u>Composite Tax</u>	<u>Other Tax</u>	<u>Refund/ (Balance Due)</u>
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**1065 TAX RETURN COMPARISON
2006 / 2007 / 2008**

2008

Name(s) as shown on return LAKESIDE VINYL SIDING MFG	Identifying number 40-0001812
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	2006 FEDERAL	2007 FEDERAL	2008 FEDERAL	DIFFERENCE BETWEEN 2007 & 2008
Income				
Net receipts			840,416	840,416
Cost of goods sold			540,204	540,204
Gross profit			300,212	300,212
Ordinary income (loss) from other partnerships, estates, trusts				
Net farm profit (loss)				
Net gain/loss from 4797				
Other income				
Total income			300,212	300,212
Deductions				
Salaries and wages			52,000	52,000
Guaranteed payments to partners				
Repairs and maintenance			4,000	4,000
Bad debts				
Rents			36,000	36,000
Taxes and licenses			10,340	10,340
Interest			8,000	8,000
Depreciation from Form 4562			34,000	34,000
Depreciation claimed elsewhere				
Net depreciation			34,000	34,000
Depletion				
Pension, profit-sharing			2,000	2,000
Employee benefits			4,000	4,000
Other deductions			50,750	50,750
Total deductions			201,090	201,090
Ordinary business income(loss)			99,122	99,122

SCHEDULE K - Partner's Share Items

	2006	2007	2008	DIFFERENCE
Income				
Ordinary business income (loss)			99,122	99,122
Net rental real estate income (loss)			13,395	13,395
Other net rental income (loss)				
Guaranteed Payments				
Interest income				
Ordinary dividends			1,000	1,000
Qualified dividends			200	200
Royalties				
Net short-term capital gain (loss)			(2,100)	(2,100)
Net long-term capital gain (loss)			4,500	4,500
Collectibles (28%) gain (loss)				
Unrecaptured section 1250 gain				
Net section 1231 gain (loss)				
Other income (loss)				
Deductions				
Section 179 deduction				
Contributions				
Investment interest expense				
Section 59(e)(2) expenditures				
Other deductions				

2006 2007 2008 DIFFERENCE

**1065 TAX RETURN COMPARISON
2006/ 2007 / 2008**

2008

Page 2

Name(s) as shown on return

Identifying number

LAKESIDE VINYL SIDING MFG

40-0001812

	2006 FEDERAL	2007 FEDERAL	2008 FEDERAL	DIFFERENCE BETWEEN 2007 & 2008
Self-Employment				
Net earnings (loss) from self-employment			112,517	112,517
Gross farming or fishing income				
Gross nonfarm income			300,212	300,212
Credits				
Low-income housing credit (section 42(j)(5))				
Low-income housing credit (other)				
Qualified rehabilitation expenditures (rental real estate)				
Other rental real estate credits				
Other rental credits				
Other credits				
Foreign Transactions				
Gross income from all sources				
Gross income sourced at partner level				
Foreign gross income sourced at partnership				
Passive				
General categories				
Other limitation				
Deductions allocated and apportioned at partner level				
Interest expense				
Other				
Ded allocated / apportioned at ptr level to foreign source inc.				
Passive				
General categories				
Other limitation				
Total foreign taxes paid or accrued				
Reduction in taxes available for credit				
Alternative Minimum Tax (AMT) items				
Post-1986 depreciation adjustment				
Adjusted gain or loss				
Depletion				
Oil, gas, and geothermal properties - gross income				
Oil, gas, and geothermal properties - deductions				
Other AMT items				
Other information				
Tax-exempt interest income			2,000	2,000
Other tax-exempt income				
Nondeductible expenses				
Distribution of cash and marketable securities				
Distributions of other property				
Investment income			1,000	1,000
Investment expenses				

RESIDENT STATE				
Taxable income				
Total tax				
Overpayment				
Balance due				

2006 2007 2008 DIFFERENCE

Schedule M-2/Partners' Capital Reconciliation Worksheet		2008
Form 1065	(Keep for your records)	
Partnership Name LAKESIDE VINYL SIDING MFG		EIN 40-0001812
Analysis of Current Year Partners' Capital		
1	Beginning Partners' Capital per Balance Sheet (Sch. L, Column b, Line 21)	1 <u>313,192</u>
2	Book Income/(Loss) (Sch M-1, Line 1)	2 <u>121,917</u>
3	Capital Contributions During the Year (Schedules K-1, Item L)	3 _____
4	Distributions (Schedule K, Lines 19A & 19B)	4 _____
5	Subtotal (Combine Lines 1 through 4)	5 <u>435,109</u>
6	Ending Partners' Capital per Balance Sheet (Sch L, Column d, Line 21)	6 <u>435,109</u>
7	Difference (Line 5 minus Line 6) (should be zero)	7 _____
Current Year Change to Partners' Capital Compared to Current Year Change to Schedule K-1, Item L (All Partners)		
8	Ending Partners' Capital (Schedule L, Column d, Line 21)	8 <u>435,109</u>
9	Beginning Partners' Capital (Schedule L, Column b, Line 21)	9 <u>313,192</u>
10	Change in Capital (Line 8 minus line 9)	10 <u>121,917</u>
11	Ending Partners' Capital (Schedules K-1, Item L)	11 <u>435,109</u>
12	Beginning Partners' Capital (Schedules K-1, Item L)	12 <u>313,192</u>
13	Difference (Line 11 minus Line 12)	13 <u>121,917</u>
Current Year Timing Adjustments per Schedule M-1		
<u>Subtractions from Net Income Per Books (Schedule M-1, Lines 5 and 6 - not included on Schedule M-2, line 3):</u>		
14	Tax exempt interest	14 _____
15	Other income recorded on books not included on Schedule K	15 <u>4,000</u>
16	Depreciation on Schedule K not included on books	16 _____
17	Other Schedule K items not included on books	17 _____
18	Total Subtractions (Lines 14 through 17)	18 <u>4,000</u>
<u>Additions to Net Income Per books (Schedule M-1, Lines 2 and 3 - not included on Schedule M-2, line 3):</u>		
19	Income included on Schedule K not recorded on books	19 _____
20	Depreciation on books not included on Schedule K	20 _____
21	Other items on books not included on Schedule K	21 _____
22	Total Additions (Lines 19 through 21)	22 _____
23	Net Timing Adjustments (Line 18 minus Line 22)	23 <u>4,000</u>
24	Distributions Reported on Schedule K-1, Line 19A, not included on Schedule K, Line 19A	24 _____
25	Capital Change (Line 13 plus lines 23 and 24)	25 <u>125,917</u>
26	Net Reconciliation Difference (Line 10 minus Line 25) (should be zero)	26 <u>(4,000)</u>