

Domestic Private Foundations and Excise Taxes, Tax Year 2008

by Cynthia Belmonte

Despite the recent recession, which caused significant declines in the market values of investment assets, private foundations maintained almost the same amount of distributions to the charitable sector in 2008 as in 2007. Generally, these distributions are grants to other tax-exempt organizations to assist in funding their charitable programs. Because the activities of private foundations are primarily charitable, most income that they receive is exempt from tax under Internal Revenue Code (IRC) section 501(c)(3). However, private foundations are subject to a variety of IRS regulations regarding their activities. Private foundations report compliance with IRS regulations, as well as detailed financial information, using the annual information return Form 990-PF, *Return of Private Foundation (or Section 4947(a)(1) Charitable Trust Treated as a Private Foundation)*. Certain nonexempt charitable trusts that are treated as private foundations for tax purposes are also required to file this return.¹ Though exempt from income tax, private foundations are required to pay an excise tax on their net investment incomes, annually. Additionally, private foundations and foundation managers are required to file Form 4720, *Return of Certain Excise Taxes on Charities and Other Persons Under Chapters 41 and 42 of the Internal Revenue Code*, to report excise taxes on certain prohibited activities.

The tax-exempt sector was not immune to the economic downturn that hit the United States in late 2007. Figure A includes selected financial data for Tax Years 2007 and 2008 for domestic private foundations. Despite the 7.4-percent increase in the number of private foundations between Tax Years 2007 and 2008, in real terms, the aggregate fair market value of total assets decreased 21 percent to \$526.5 billion for Tax Year 2008.²

Investment assets provide the basis for giving by grantmaking foundations. Investment assets accounted for more than 91 percent of the fair

market value of total assets reported by private foundations for Tax Year 2008, compared to 93.3 percent of total assets for Tax Year 2007. The total amount of investment assets held by private foundations decreased by 22.9 percent, from \$621.5 billion to \$479.3 billion, between Tax Years 2007 and 2008. Of all investment types, corporate stock decreased the most, falling 34.4 percent, from \$330.1 billion to \$216.6 billion, between Tax Years 2007 and 2008.

Total revenue reported by private foundations was \$49.7 billion for Tax Year 2008, a 54.7-percent decrease from the previous year. Contributions, gifts, and grants received remained the largest source of revenue, accounting for \$43.8 billion. Income derived from assets, including net gains from sales of assets, dividends and interest from securities, and interest on savings, typically accounts for a significant share of revenue. However, in Tax Year 2008, due to \$18.9 billion in capital losses, combined, these sources accounted for \$3.4 billion, only 6.8 percent of private foundation revenue. This is down considerably from Tax Year 2007, when income from assets accounted for a little more than half of private foundation revenue.

Foundation giving remained remarkably stable from Tax Year 2007 to 2008, despite the significant decreases in private foundation assets and revenue. Private foundations distributed \$42.8 billion in contributions, gifts, and grants to the charitable sector, only a 1.5-percent decrease from the previous year.

The Statistics of Income Study

The Statistics of Income (SOI) Division conducts an annual study of private foundations based on the information returns filed with the Internal Revenue Service (IRS). The statistics presented in this article are based on a sample of Forms 990-PF filed by domestic private foundations—private foundations organized in the United States—selected to represent the entire filing population for Tax Year 2008. Additional statistics on reported excise taxes on the activities described in IRC sections 4941-4945 are from Forms 4720 filed by domestic private foundations. Tax Year 2008 includes all accounting periods

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¹ For Tax Year 2008, nonexempt charitable trusts represented 6.4 percent of Form 990-PF filers and only 1.4 percent, 0.6 percent, and 1 percent of total assets, total revenue, and total expenses reported, respectively. This article excludes statistics for nonexempt charitable trusts.

² Dollar values were adjusted for inflation using the 2005 chain-type price index for Gross Domestic Product (GDP) as reported by the U.S. Department of Commerce, Bureau of Economic Analysis. Inflation-adjusted money amounts were calculated in 2008 constant dollars and are referred to in this article as “constant dollars” or “real dollars.”

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

beginning in Calendar Year 2008 and thus ending between December 31, 2008, and November 30, 2009. Consequently, the returns reflect financial activity that occurred in either Calendar Year 2008 or 2009 or some portion of both (see the Data Sources and Limitations section for further information).

Tax Definitions and Organizational Structure

Public charities and private foundations that are created and operated for religious, charitable, scientific, educational, and certain other designated purposes can qualify for exemption from Federal income tax under IRC section 501(c)(3). Most tax-exempt organizations are hospitals, schools, churches, and organizations that receive broad support from the general public. These types of tax-exempt organizations, commonly known as “public charities,” file Form 990, *Return of Organization Exempt from Income Tax*, or Form 990-EZ, the short version of this information return.³ In contrast to a public charity, a private foundation relies on a narrow sphere of support, typically through funding from a small number of private donors. Additionally, control of a private foundation is generally limited to an individual, family, or corporation.

Depending upon the type of charitable support that a private foundation provides, it may be classified as either “nonoperating” or “operating.”⁴ A nonoperating foundation supports charitable programs indirectly, providing grants to other charitable organizations, rather than operating programs of its own. Nonoperating private foundations are by far the most common Form 990-PF filers. In contrast, an operating foundation generally spends its income on direct, active involvement in a tax-exempt, charitable activity, such as operating a library or museum, providing housing or health-care, or conducting scientific research. In order to qualify as operating, a foundation must meet both an

Figure A

Domestic Private Foundations: Selected Financial Items and Percentage Changes, in Constant Dollars, Tax Years 2007–2008

[All figures are estimates based on samples—money amounts are in millions of dollars]

Items	2007	2008	Percentage change
	(1)	(2)	(3)
Number of returns	84,613	90,850	7.4
Total assets (fair market value)	666,143	526,533	-21.0
Cash (non-interest bearing accounts)	7,755	8,209	5.9
Investment assets, total	621,494	479,315	-22.9
Savings and temporary cash investments	48,564	48,337	-0.5
Investments in securities, total	408,727	287,607	-29.6
Government obligations	36,883	33,395	-9.5
Corporate stock	330,087	216,642	-34.4
Corporate bonds	41,757	37,570	-10.0
Other investments [1]	164,203	143,371	-12.7
Total revenue	109,557	49,673	-54.7
Contributions, gifts, and grants received	49,427	43,787	-11.4
Net gains (less losses) from sales of assets	39,516	-9,890	-125.0
Gain	40,680	9,042	-77.8
Loss	-1,164	-18,932	-1,526.5
Dividends and interest from securities	13,425	11,186	-16.7
Interest on savings	2,868	2,094	-27.0
Total expenses	59,985	60,322	0.6
Disbursements for charitable purposes	50,209	49,692	-1.0
Contributions, gifts, and grants paid	43,472	42,822	-1.5
Excess of revenue over expenses	49,572	-10,648	-121.5

[1] Sum of “Investments in land, buildings, and equipment (less accumulated depreciation),” “Investments in mortgage loans,” and miscellaneous items such as advances; certificates of investment; and investments in art, coins, gold, and gems.

NOTE: Tax Year 2007 amounts have been adjusted for inflation based on the 2005 chain-type price index for Gross Domestic Product, as published by the U.S. Department of Commerce, Bureau of Economic Analysis. Inflation-adjusted money amounts were calculated in 2008 constant dollars. Detail may not add to totals because of rounding.

“income test” and one of three other tests: an “assets test,” an “endowment test,” or a “support test.”⁵

Composition of Filers

Figure B presents financial data for Tax Year 2008, by asset-size class, for all foundations, and for nonoperating and operating foundations, separately.

³ For additional discussion of organizations other than private foundations that are tax exempt under Internal Revenue Code section 501(c)(3), see Arnsberger, Paul, and Mike Graham, “Charities, Fraternal Beneficiary Societies, and Other Tax-Exempt Organizations, 2008,” *Statistics of Income Bulletin*, Fall 2011, Volume 31, Number 2.

⁴ An organization’s status as a nonoperating or operating foundation was indicated on Form 990-PF, Part VII, line 9.

⁵ A foundation could qualify as operating under the income requirement if it spent at least 85 percent of the lesser of its “minimum investment return” or “adjusted net income” on the direct, active conduct of tax-exempt, charitable activities. Adjusted net income represented the amount of income from charitable functions, investment activities, set-asides, unrelated business activities, and short-term capital gains that exceeded the cost incurred in earning the income and was calculated in Part I, Column (c) of Form 990-PF for operating foundations. To meet the assets test, a foundation had to use 65 percent or more of its assets directly for the active conduct of charitable activities. To meet the endowment test, a foundation regularly had to make distributions for the active conduct of charitable activities in an amount not less than two thirds of its “minimum investment return.” To meet the support test, a foundation regularly had to receive substantially all of its support (other than from gross investment income) from the public or from five or more qualifying exempt organizations, and (a) no more than 25 percent of its support (other than from gross investment income) from any one such qualifying exempt organization; and (b) no more than 50 percent of its support from gross investment income. See “Operating Foundations” in the Explanation of Selected Terms section of this article for additional information.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Figure B

Domestic Private Foundations: Selected Financial Items, by Size of End-of-Year Fair Market Value of Total Assets and Operating Status, Tax Year 2008

[Money amounts are in millions of dollars]

Asset size and operating status [1]	Returns		Total assets (fair market value)		Total revenue		Disbursements for charitable purposes		Contributions, gifts, and grants paid	
	Number	Percentage of total	Amount	Percentage of total	Amount	Percentage of total	Amount	Percentage of total	Amount	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All foundations	90,850	100.0	526,533	100.0	49,673	100.0	49,692	100.0	42,822	100.0
Less than \$1,000,000	62,532	68.8	15,679	3.0	4,084	8.2	4,860	9.8	3,908	9.1
\$1,000,000 less than \$10,000,000	22,687	25.0	70,428	13.4	7,329	14.8	7,959	16.0	7,062	16.5
\$10,000,000 less than \$50,000,000	4,313	4.7	89,651	17.0	9,454	19.0	9,560	19.2	8,152	19.0
\$50,000,000 less than \$100,000,000	695	0.8	47,605	9.0	4,571	9.2	4,941	9.9	4,337	10.1
\$100,000,000 or more	622	0.7	303,169	57.6	24,235	48.8	22,372	45.0	19,362	45.2
Nonoperating foundations	83,024	91.4	476,209	90.4	40,519	81.6	45,005	90.6	41,233	96.3
Operating foundations	7,826	8.6	50,323	9.6	9,154	18.4	4,686	9.4	1,589	3.7

[1] Foundations were assigned to asset-size classes based on the reported current-dollar, end-of-year fair market value of total assets.

NOTE: Detail may not add to totals because of rounding.

Foundations were assigned to asset-size classes based on the reported end-of-year fair market value of total assets. Although more than two-thirds of all returns filed by private foundations for Tax Year 2008 were filed by foundations with less than \$1 million of total assets, combined, these organizations held only 3 percent of the total assets. The largest foundations, those holding total assets valued at \$100 million or more, represented only 0.7 percent of all returns filed for Tax Year 2008; however, these organizations held 57.6 percent of the total asset value.

The smallest foundations earned 8.2 percent of total revenue and accounted for 9.8 percent of the total amount disbursed for charitable purposes. The largest foundations accounted for more than 45 percent of total revenue, disbursements for charitable purposes, and contributions, gifts, and grants paid by domestic private foundations for Tax Year 2008.⁶

Nonoperating foundations conduct the majority of financial activity that is attributable to private foundations. For Tax Year 2008, nonoperating foundations accounted for 91.4 percent of Forms 990-PF filed by domestic private foundations, and they held a similar

proportion of the aggregate fair market value of total assets. Nonoperating foundations also earned the majority of total revenue and, because they primarily supported charitable activities via indirect distributions, accounted for nearly all of the contributions, gifts, and grants reported.

The Private Foundation Rules

Since private foundations are typically supported and controlled by an individual, family, or corporation, they are not directly accountable to the public. Consequently, private foundations are subject to greater Federal regulation than other tax-exempt organizations. For example, private foundations are required annually to distribute their minimum investment return, statutorily defined as 5 percent of the net value of their investment assets, after certain adjustments. The Tax Reform Act of 1969 (TRA69) established taxes specific to private foundations and was the basis for IRC sections 4940-4945. IRC section 4940 includes an excise tax on “net investment income,” which consists of income received only from investments that are unrelated to a foundation’s charitable purpose. This tax, which is reported annually on Form 990-PF, applies to all nonoperating

⁶ Disbursements for charitable purposes include contributions, gifts, and grants paid, as well as expenses related to the foundation’s charitable purpose, such as employee salaries and wages, occupancy, and printing and publications.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

foundations and to most operating foundations that earn net investment income.

IRC sections 4941–4945 outline taxes imposed on foundations that engage in activities that are considered to be contrary to the public interest and outline the excise taxes imposed on foundations that engage in such “prohibited activities.” IRC section 4941 details taxable acts of “self-dealing,” which are defined as financial transactions with foundation officers, directors, trustees, substantial contributors, or “other disqualified persons.” Additionally, nonoperating foundations that fail to distribute the minimum amount for charitable purposes are subject to an excise tax under IRC section 4942. Excess business holdings, certain high-risk investments, and various prohibited expenditures, such as those made for legislative or political purposes, are taxable under IRC sections 4943–4945. Figure C provides detailed descriptions of taxable activities under IRC sections 4941–4945, as well as the tax rates associated with each section. Private foundations report taxes on the activities described in IRC sections 4941–4945 on Form 4720. Taxes reported on Form 4720 are initial taxes on prohibited activities. These first-tier taxes are assessed automatically when a prohibited activity occurs. If a foundation, after paying their 4720 excise tax, fails to provide corrective action, the foundation may be subject to an additional second-tier tax.⁷

Excise taxes under IRC sections 4940 through 4945 can be divided into two primary categories—organizational and individual. The most common organizational excise tax is levied on net investment income under IRC section 4940. Additionally, foundations that engage in prohibited activities are subject to organizational taxes on undistributed income, investments that jeopardize charitable purpose, excess business holdings, and taxable expenditures. Individual taxes include many of the organizational taxes, but are imposed on foundation managers who knowingly engage in the prohibited activity. Self-dealing tax is the only tax defined under IRC sections 4940 through 4945 that does not have an organizational component. A self-dealer,

defined as a disqualified person benefiting from a prohibited transaction with a foundation, is liable for self-dealing tax. Additionally, foundation managers who knowingly participate in acts of self-dealing are also subject to excise taxes.

Figure D, which shows data for Tax Years 2003 and 2008, reflects the distinction between organizational and individual excise taxes.⁸ Overall, while the number of organizations and individuals who incurred excise taxes under IRC sections 4940–4945 increased, and despite the higher private foundation excise tax rates in effect after the passage of the Pension Protection Act of 2006, the amount of total taxes reported decreased 22.2 percent between Tax Years 2003 and 2008.⁹ This was attributable to the significant decrease in reported taxes on net investment income, which fell by 23.5 percent. The remainder of the article examines IRC section 4940–4945 excise taxes reported for 2008 in detail.

Investment Assets and the Section 4940 Tax on Investment Income

Assets that are held for investment purposes only, such as securities, investments in art, coins or other collectables, and real estate, are classified as noncharitable-use assets. Figure E illustrates the relationship between the net value of noncharitable-use assets and the aggregate end-of-year fair market value of total assets held by domestic nonoperating private foundations for Tax Years 2007 and 2008. For nonoperating foundations, noncharitable-use assets typically represent the majority of end-of-year fair market value of total assets, as was the case for Tax Year 2007. The fair market value of noncharitable-use assets actually exceeded the ending fair market value of total assets for Tax Year 2008. While not common, this is possible because of the different methods used for calculating the two values. Most types of noncharitable-use assets, including cash and securities, are valued based on their average monthly fair market values throughout the tax year, while total assets are valued at year’s end.¹⁰ Nonoperating foundations reported an overall

⁷ Additional levels of tax are not reported on the Form 4720; rather, they are handled independently between the IRS and the foundation and/or foundation manager.

⁸ Form 4720 data, by calendar year of filing, are available on an annual basis; however, the last published tax year analysis is for Tax Year 2003. See Ludlum, Melissa, and Mark Stanton, “Private Foundations, Tax Year 2003,” *Statistics of Income Bulletin*, Fall 2006, Volume 26, Number 2.

⁹ Legislation included in the Pension Protection Act of 2006 (PPA) increased penalty excise taxes relating to public charities, social welfare organizations, and private foundations, effective for taxable years beginning September 1, 2006. Specifically, the law doubled first-tier penalties for IRC sections 4941 through 4945. Additionally, PPA doubled the ceiling on foundation manager penalties under IRC sections 4941, 4944–4945. For additional information, see the Joint Committee on Taxation’s “Technical Explanation of H.R. 4, The Pension Protection Act of 2006,” available online at <http://www.jct.gov/x-38-06.pdf>.

¹⁰ Other types of noncharitable-use assets are valued annually, although not necessarily at year’s end.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Figure C

Excise Taxes on Prohibited Activities Described Under Internal Revenue Code Sections 4941-4945

Code section	Name of tax	Tax rate [1, 2]	Description
4941	Self-Dealing	10-percent initial tax per act per year on Self-Dealer. 5 percent per year and limited to \$20,000 per act on Foundation Manager.	(1) Selling, exchanging, or leasing of property with a disqualified person. (2) Borrowing money from, lending money to, or otherwise extending credit to a disqualified person. (3) Furnishing goods, services, or facilities to a disqualified person. (4) Paying compensation to, or paying or reimbursing the expenses of, a disqualified person. (5) Transferring any income or assets to a disqualified person. (6) Paying money or property to a Government official.
4942	Undistributed Income	30-percent initial tax on current and previous years undistributed amount.	Failing to distribute the minimum required amount.
4943	Excess Business Holdings	10-percent initial tax on excess amount and 200 percent if not disposed of within tax period.	Holding more than 20-percent interest in an unrelated business enterprise.
4944	Investments that Jeopardize Charitable Purpose	10-percent initial tax of amount invested per year on Foundation. 10-percent initial tax of amount invested per year on Foundation Manager and limited to \$10,000 for any one investment.	Failing to exercise ordinary business care to provide for the long- and short-term financial needs of the foundation.
4945	Taxable Expenditures	20-percent initial tax of expenditure on Foundation. 5-percent initial tax up to \$10,000 on Foundation Managers.	(1) Carrying on propaganda or otherwise influence any legislation through: (a) Attempting to influence public opinion or any segment of it, and (b) Communicating with any member or employee of a legislative body, or with any other Government official or employee who may take part in formulating legislation; (2) Influencing the outcome of any specific public election, or to conduct, directly or indirectly, any voter registration drive; (3) Providing a grant to an individual for travel, study, or other purposes; (4) Providing a grant to an organization not described in section 509(a)(1), (2), or (3) or that is not an exempt operating foundation; or (5) Acting with any other than religious, charitable, scientific, literary, educational, or public purposes, or the prevention of cruelty to children or animals.

[1] Taxes on foundation managers require that the manager know the action was a taxable act and that the manager participated willingly.

[2] Tax rates and amounts reflect legislation included in the Pension Protection Act of 2006 (PPA), which doubled the penalty excise taxes effective for taxable years beginning after August 17, 2006.

real decrease of 22.5 percent in the fair market value of total assets between Tax Years 2007 and 2008, while the net value of noncharitable-use assets that were held for investment purposes decreased by 10.7 percent over the same period.

As discussed in the introduction to this article, income received from investment assets decreased significantly between Tax Years 2007 and 2008. Realized net investment income reported by private foundations included net income from capital gains,

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Figure D

IRC Sections 4940-4945 Excise Taxes Reported by Domestic Private Foundations, and Percentage Changes, in Constant Dollars, Tax Years 2003 and 2008 [1]

[Money amounts are in thousands dollars]

Internal Revenue Code section and item	Number of returns			Amount involved in act			Tax amount [2]		
	2003	2008	Percentage change	2003	2008	Percentage change	2003	2008	Percentage change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Taxes on organizations [3]									
Section 4940 tax on net investment income	57,095	69,313	21.4	29,047,525	23,094,202	-20.5	378,048	289,068	-23.5
Section 4942 tax on undistributed income	1,257	1,350	7.4	22,988	24,890	8.3	3,451	7,467	116.4
Sections 4943, 4945 additional excise taxes [4]	42	73	73.8	11,142	2,329	-79.1	785	400	-49.0
Taxes on individuals [5]									
Section 4941 tax on self-dealing	120	134	11.7	20,777	10,618	-48.9	1,200	1,255	4.6
Sections 4943, 4945 additional excise taxes [4]	11	12	9.1	208	291	39.9	5	15	200.0

[1] Excise tax under IRC section 4940 is reported on the Form 990-PF, while the taxes under IRC sections 4941-4945 are reported on the Form 4720. The tax year data include Forms 990-PF and Forms 4720 filed and processed during the 2 calendar years immediately following the tax year. Form 4720 data, by calendar year of filing, are available on an annual basis; however, the last published tax year analysis is for Tax Year 2003.

[2] Amounts reflect prevailing tax rates during the tax year of reference. As a result of legislation included in the Pension Protection Act of 2006 (PPA), the excise tax rates doubled, effective for taxable years beginning after August 17, 2006.

[3] Organization taxes are reported by private foundations.

[4] Section 4943: initial tax on excess business holdings; section 4945: taxes on taxable expenditures. There were no Form 4720 returns reporting section 4944 taxes on jeopardizing investments for Tax Year 2008.

[5] Individual taxes are reported by foundation managers, office directors, trustees, and other individuals.

NOTE: Tax Year 2003 amounts have been adjusted for inflation based on the 2005 chain-type price index for Gross Domestic Product, as published by the U.S. Department of Commerce, Bureau of Economic Analysis. Inflation-adjusted money amounts were calculated in 2008 constant dollars.

along with interest, dividends, rents, and royalties, after deductions for expenses incurred in producing the investment income. Real net investment income reported by domestic nonoperating private foundations dropped sharply over the period, from \$61.3 billion in 2007 to \$21.8 billion in 2008.

The “net investment income yield” and “real rates of total return on assets” can provide additional insight into both the realized income from, and the overall performance of, investment assets. Figure F shows these measures for domestic nonoperating foundations for Tax Years 2007 and 2008. Both the mean and the median, which minimizes the influences of large outliers in the data and may therefore better represent a typical foundation than the mean value, are shown. In order to compare investment performance by foundation size over a given tax year, foundations were classified based on their fair market value of assets at the beginning of the year.

The net investment income yield, a measure of the realized investment income that a foundation earns on its investment assets, was calculated by dividing net investment income by the value of noncharitable-use assets. The median net investment income yield realized by domestic nonoperating

private foundations fell, from 5.1 percent for Tax Year 2007 to 2.4 percent for Tax Year 2008. This decrease corresponded to the large decrease in net investment income attributable to capital losses, offset somewhat by the relatively smaller decrease in the value of noncharitable-use assets.

Median net investment income yields varied little among foundations in the different asset-size classes for Tax Year 2008. Small foundations reported the lowest median net investment income yield, 2.1 percent, while the largest foundations realized median net investment income yields of 2.5 percent, a significant decrease from the realized 8.8 percent for Tax Year 2007.

The real rate-of-total-return formula, which measures the total, inflation-adjusted capital appreciation of a foundation’s assets, equals the change in the value of the entire asset base (adjusted for contributions received, grants paid, and certain expenses) divided by the value of the base. Because the real rate of total return on assets measures the realized income from investments and other assets, as well as the unrealized appreciation or depreciation in the fair market value of assets, it provides a more comprehensive measure of total investment

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Figure E

Domestic Nonoperating Private Foundations: Total Assets, Noncharitable-Use Assets, Investment Assets, and Net Investment Income, by Size of End-of-Year Fair Market Value of Total Assets, in Constant Dollars, Tax Years 2007–2008

[All figures are estimates based on samples—money amounts are in millions of dollars]

Asset size [1]	Number of returns			Total assets (fair market value)		
	2007	2008	Percentage change	2007	2008	Percentage change
	(1)	(2)	(3)	(4)	(5)	(6)
All nonoperating foundations	77,457	83,024	7.2	614,255	476,209	-22.5
Less than \$1,000,000	48,493	56,781	17.1	13,067	14,748	12.9
\$1,000,000 less than \$10,000,000	22,869	21,104	-7.7	71,555	65,470	-8.5
\$10,000,000 less than \$50,000,000	4,618	3,940	-14.7	97,808	81,868	-16.3
\$50,000,000 less than \$100,000,000	752	635	-15.6	52,298	43,587	-16.7
\$100,000,000 or more	725	564	-22.2	379,527	270,537	-28.7

Asset size [1]	Noncharitable-use assets [2]			Net investment income		
	2007	2008	Percentage change	2007	2008	Percentage change
	(7)	(8)	(9)	(10)	(11)	(12)
All nonoperating foundations	578,673	516,813	-10.7	61,288	21,829	-64.4
Less than \$1,000,000	14,318	16,976	18.6	1,299	732	-43.6
\$1,000,000 less than \$10,000,000	69,734	72,201	3.5	6,812	3,351	-50.8
\$10,000,000 less than \$50,000,000	94,127	88,883	-5.6	9,007	4,113	-54.3
\$50,000,000 less than \$100,000,000	49,966	46,708	-6.5	4,776	1,909	-60.0
\$100,000,000 or more	350,528	292,045	-16.7	39,394	11,725	-70.2

[1] Foundations were assigned to asset-size classes based on the constant-dollar, end-of-year fair market value of total assets.

[2] While not common, the fair market value of noncharitable-use assets can exceed the ending fair market value of total assets because of the different methods used for calculating the two values. Most types of noncharitable-use assets, including cash and securities, are valued based on their average monthly fair market values throughout the tax year, while total assets are valued at year's end.

NOTE: Tax Year 2007 amounts have been adjusted for inflation based on the 2005 chain-type price index for Gross Domestic Product, as published by the U.S. Department of Commerce, Bureau of Economic Analysis. Inflation-adjusted money amounts were calculated in 2008 constant dollars. Detail may not add to totals because of rounding.

performance than the net investment income yield. Median real rates of total return on assets, as reported by nonoperating foundations, depict an even bleaker illustration of investment performance for Tax Year 2008. Overall, median rates of total return realized by nonoperating foundations declined dramatically between Tax Years 2007 and 2008, falling from 1.4 percent to -15.7 percent.

For Tax Year 2008, the median real rate of total return was negative for all nonoperating private foundations, regardless of asset-size class. Whereas the median rates of total return increased by asset-size class for Tax Year 2007, the opposite trend occurred in Tax Year 2008. Just as the realized real rates of total return were highest for larger foundations in Tax Year 2007, when returns were positive, they were lowest for this group in Tax Year 2008, when returns

were negative. This seems to indicate smaller organizations' preference for lower-risk investments that yield lower returns. Small foundations experienced the highest median rate of total return, -8.7 percent, while all other asset-size classes realized rates of total return of -21.6 percent or lower, with the largest foundations realized median net investment income yields of -24.6 percent for Tax Year 2008.

The decline in private foundation net investment income between Tax Years 2007 and 2008 resulted in a large decrease in the annual excise tax under IRC section 4940. This excise tax is intended to cover expenses incurred by the IRS in the oversight of private foundation activities and the enforcement of laws governing private foundations' exempt status. Under IRC section 4940, generally, domestic private foundations are taxed

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Figure F

Domestic Nonoperating Private Foundation Net Investment Income Yields and Real Rates of Total Return on Assets, by Size of Beginning-of-Year Fair Market Value of Total Assets, Tax Years 2007–2008 [1]

Tax year, asset size [2]	Net investment income yields (percentages)		Real rates of total return (percentages)	
	Median	Mean	Median	Mean
	(1)	(2)	(3)	(4)
Tax Year 2007, All nonoperating foundations	5.1	15.7	1.4	8.8
Less than \$1,000,000	4.3	11.9	0.8	14.6
\$1,000,000 less than \$10,000,000	6.3	24.6	2.2	-0.2
\$10,000,000 less than \$50,000,000	6.8	9.7	2.8	0.8
\$50,000,000 less than \$100,000,000	7.5	9.8	3.3	1.4
\$100,000,000 or more	8.8	13.8	4.2	1.7
Tax Year 2008, All nonoperating foundations	2.4	7.5	-15.7	-9.7
Less than \$1,000,000	2.1	7.7	-8.7	-3.9
\$1,000,000 less than \$10,000,000	2.7	7.8	-21.9	-19.5
\$10,000,000 less than \$50,000,000	2.6	4.6	-21.6	-17.9
\$50,000,000 less than \$100,000,000	2.5	7.5	-22.2	-19.0
\$100,000,000 or more	2.5	4.0	-24.6	-21.4

[1] Only data from returns that were included in the sample for 2 consecutive tax years were used in the calculations. For example, the Tax Year 2008 net investment income yield and rate of return on total assets were calculated only for organizations that filed sampled returns for each of Tax Years 2007 and 2008. Thus, approximately 91 percent of returns for nonoperating foundations included in the Tax Year 2008 sample were eligible for this analysis. Eligible returns represented 91 percent of the Tax Year 2007 sample. Because some organizations may have exited the sample in consecutive years due to decreases in their fair market values of total assets, these results may reflect some bias toward organizations with positive investment performance.

[2] Foundations were assigned to asset-size classes based on the constant dollar beginning-of-year fair market value of total assets for each tax year.

NOTE: Tax Year 2007 amounts have been adjusted for inflation based on the 2005 chain-type price index for Gross Domestic Product, as published by the U.S. Department of Commerce, Bureau of Economic Analysis. Inflation-adjusted money amounts were calculated in 2008 constant dollars.

at a rate equal to 2 percent of their net investment income. Figure G shows selected information for private foundations that reported excise tax on net investment income for Tax Years 2007 and 2008.¹¹ For Tax Year 2007, in real terms, \$62.1 billion of the \$64.2 billion in net investment income reported by all domestic foundations was subject to the excise tax, which totaled \$908 million. Of the \$23.1 billion in net investment income reported by

all domestic foundations for Tax Year 2008, \$22.6 billion was subject to the excise tax, which totaled just \$289 million.

Under IRC section 4940(e), domestic private foundations that are able to demonstrate growth in the rate of their charitable distributions are taxed at a reduced net investment income tax rate of 1 percent. If total Tax Year 2008 qualifying distributions were larger than the total of averaged qualifying distributions made between 2003 and 2007 plus 1 percent of Tax Year 2008 net investment income, a foundation was eligible for the reduced tax rate for Tax Year 2008. Of the foundations reporting excise taxes on net investment income for Tax Year 2008, some 52.9 percent of foundations qualified for the reduced 1-percent tax rate, compared to less than 45 percent of foundations for Tax Year 2007. Generally, larger foundations were more likely to qualify for the reduced tax rate than smaller foundations; for example, for Tax Year 2008, more than 60 percent of foundations with assets of \$10 million or more were eligible for the reduced rate, compared to roughly half of foundations with less than \$1 million in assets. Despite the lower average tax rates, combined, net investment income excise tax paid by foundations with assets of \$10 million or more accounted for 79.2 percent of total tax liability for Tax Year 2008.

The Charitable Distribution Requirement and the IRC Section 4942 Tax on Undistributed Income

The overall value of assets held by a private foundation, particularly those held for investment purposes, can play a major role in the foundation's ability to make distributions for charitable purposes. For nonoperating foundations, the annual charitable distribution requirement, known as the "distributable amount," is calculated based on an annual valuation of assets. As a result, fluctuations in asset values can directly affect the grantmaking practices of nonoperating foundations. IRC section 4942 outlines the annual distribution requirement, known as the "distributable amount," and the excise tax penalty assessed on nonoperating foundations that fail to meet it. The distributable amount is derived from

¹¹ Some foundations were not required to pay the IRC section 4940 excise tax on net investment income. Certain foundations in IRC section 507(b)(1)(B) termination status, as well as certain exempt operating foundations described in IRC section 4940(d)(2), were exempt from paying the excise tax.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Figure G

Domestic Private Foundations Reporting IRC Section 4940 Excise Tax on Investment Income, by Size of End-of-Year Fair Market Value of Total Assets, in Constant Dollars, Tax Years 2007–2008

[Money amounts are in millions of dollars]

Tax year, asset size [1]	Number of returns	Percentage of all foundations	Net investment income	Qualifying distributions	Excise tax	Percentage of foundations reporting:	
						1-percent tax	2-percent tax
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Tax Year 2007, all foundations	68,686	81.2	62,072	48,169	908	44.8	55.2
Less than \$1,000,000	39,147	73.0	1,314	4,174	18	43.1	56.9
\$1,000,000 less than \$10,000,000	23,169	95.2	6,972	6,829	108	46.1	53.9
\$10,000,000 less than \$50,000,000	4,832	96.0	9,341	9,126	139	49.6	50.4
\$50,000,000 less than \$100,000,000	779	96.5	4,880	4,421	71	52.8	47.2
\$100,000,000 or more	758	96.1	39,564	23,618	572	53.2	46.8
Tax Year 2008, all foundations	69,313	76.3	22,635	45,091	289	52.9	47.1
Less than \$1,000,000	43,324	69.3	745	2,579	11	49.6	50.4
\$1,000,000 less than \$10,000,000	20,778	91.6	3,451	7,439	49	57.4	42.6
\$10,000,000 less than \$50,000,000	3,988	92.5	4,257	8,541	58	61.8	38.2
\$50,000,000 less than \$100,000,000	645	92.8	2,071	4,685	27	65.9	34.1
\$100,000,000 or more	578	92.9	12,112	21,848	144	64.0	36.0

[1] Foundations were assigned to asset-size classes based on the reported constant dollar end-of-year fair market value of total assets for each tax year.

NOTE: Tax Year 2007 amounts have been adjusted for inflation based on the 2005 chain-type price index for Gross Domestic Product, as published by the U.S. Department of Commerce, Bureau of Economic Analysis. Inflation-adjusted money amounts were calculated in 2008 constant dollars. Detail may not add to totals because of rounding.

a foundation's minimum investment return, which equals 5 percent of the net value of noncharitable-use assets, calculated as the value of noncharitable-use assets, less both the indebtedness incurred to acquire these assets and the amount of cash held for charitable activities. Finally, the distributable amount is the minimum investment return minus the excise tax on net investment income, plus or minus other adjustments (see Net Adjustments to Distributable Amount and Net Value of Noncharitable-use Assets in the Explanation of Terms section of this article for additional details).

The current year's distribution requirement may be satisfied by qualifying distributions from the current year as well as excess distributions carryovers from the previous 5 tax years. Qualifying distributions are those made for charitable purposes. Although qualifying distributions consist primarily of contributions, gifts, and grants disbursed throughout the year, they may also include operating and administrative expenses related to conducting charitable operations; program-related investments, such as loans to other 501(c)(3) organizations; amounts paid to acquire buildings, equipment, supplies, or other assets for charitable-use; and "set-asides," which are amounts earmarked for future charitable distributions.

Qualifying distributions and their components, along with distributable amounts, are shown for nonoperating foundations by asset-size class in Figure H. Qualifying distributions for nonoperating foundations totaled \$46 billion, a real decrease of 1.1 percent from the previous year. Contributions, gifts, and grants, the largest component of qualifying distributions, accounted for nearly 90 percent of the total qualifying distributions for all nonoperating foundations. Operating and administrative expenses was the second-largest component of qualifying distributions, making up 8.2 percent of the total. Program-related investments represented 1 percent of total qualifying distributions, and amounts paid to acquire assets for charitable-use and set-asides each accounted for less than 1 percent of the total. Foundations' qualifying distributions exceeded the required distributable amount of \$25.7 billion to varying degrees across each asset-size category. Generally, as asset size increased, the extent to which foundations' qualifying distributions exceeded the required distributable amount decreased. The smallest foundations, those with less than \$1 million of total assets, disbursed qualifying distributions that were nearly five times in excess their required distributable amount for Tax Year 2008. Foundations with assets between \$1 million and \$100 million

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Figure H

Domestic Nonoperating Private Foundations Qualifying Distributions and Distributable Amount, by Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008

[Money amounts are in millions of dollars]

Asset size	Qualifying distributions						Distributable amount
	Total	Contributions, gifts, and grants paid	Operating expenses	Program-related investments	Amounts paid to acquire assets	Set-asides	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All nonoperating foundations	46,004	41,233	3,772	446	342	210	25,651
Less than \$1,000,000	4,083	3,821	222	35	[1]	5	839
\$1,000,000 less than \$10,000,000	7,327	6,897	401	12	11	7	3,567
\$10,000,000 less than \$50,000,000	8,191	7,369	713	55	46	8	4,408
\$50,000,000 less than \$100,000,000	4,538	4,002	368	60	62	46	2,313
\$100,000,000 or more	21,865	19,144	2,068	285	224	145	14,525
	Percentage of total						
All nonoperating foundations	100.0	89.6	8.2	1.0	0.7	0.5	N/A
Less than \$1,000,000	100.0	93.6	5.4	0.9	[2]	0.1	N/A
\$1,000,000 less than \$10,000,000	100.0	94.1	5.5	0.2	0.2	0.1	N/A
\$10,000,000 less than \$50,000,000	100.0	90.0	8.7	0.7	0.6	0.1	N/A
\$50,000,000 less than \$100,000,000	100.0	88.2	8.1	1.3	1.4	1.0	N/A
\$100,000,000 or more	100.0	87.6	9.5	1.3	1.0	0.7	N/A

N/A—Not applicable.

[1] Less than \$500,000.

[2] Less than 0.05 percent

NOTE: Detail may not add to totals because of rounding.

disbursed twice their required distributable amount in qualifying distributions, while those with assets of \$100 million or more disbursed one-and-a-half times their required distributable amount.

The payout rate captures the relationship between an organization's qualifying distributions and its investment assets. Current-year distributions, combined with carryovers, are adjusted to include certain taxes and deductions and divided by the total value of noncharitable-use assets to arrive at a foundation's payout rate. This rate provides a measure of a foundation's success in meeting the annual required distributable amount. Median payout rates for domestic nonoperating foundations by asset-size class, as well as the percentage distributions of payout rate ranges among the various asset-size-classes, are displayed in Figure I.

Median payout rates, which may be reflective of the activities of typical foundations, increased slightly between Tax Years 2007 and 2008. This was attributable to the significant decrease in the value of noncharitable-use assets over the same period. The smallest foundations, those with assets less than \$1 million, had median payout rates that were somewhat higher than for their larger counterparts, at

6.6 percent and 6.9 percent, for Tax Years 2007 and 2008, respectively. Generally, median payout rates decreased as foundation size increased.

For Tax Year 2008, some 76.8 percent of nonoperating foundations exceeded the 5-percent payout requirement, with the percentage generally increasing for larger foundations. Some 77.1 percent of the smallest foundations reported payout rates of 5 percent or more for Tax Year 2008, compared to 79.9 percent of the largest foundations. The opposite pattern characterized the previous tax year. For Tax Year 2007, the percentage of nonoperating foundations that exceeded the 5-percent payout requirement generally decreased as foundation size increased. Some 74.8 percent of the smallest foundations reported payout rates of 5 percent or more for Tax Year 2007, compared to only 66.5 percent of the largest foundations.

Foundations must meet the distributable amount requirement for the current tax year by the end of the next tax year or pay excise tax on the undistributed amount. For example, a foundation must have disbursed the required amount for Tax Year 2007 before the end of Tax Year 2008 in order to avoid paying the excise tax under IRC section 4942. As foundations do not calculate their required

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

distributable amounts until the end of the tax year, they may choose to take advantage of the 1-year, tax-free “grace period” for making these distributions and report all or part of their current-year required distributions as undistributed income. Of those foundations with a minimum distribution requirement for Tax Year 2008, some 34.6 percent reported undistributed income for the year, while the majority of foundations met or exceeded their distribution requirement in the tax year.

Private foundations report taxable amounts of undistributed income and compute related excise tax liability on Form 4720. The number of foundations that filed Form 4720 for Tax Year 2008 for failing to distribute the minimum required amount

increased by 7.4 percent compared to Tax Year 2003. Figure J shows undistributed income subject to the IRC section 4942 excise tax (“taxable undistributed income”), as well as the amount of excise tax for Tax Year 2008, by asset size. In all, 1,350 private foundations reported a total of \$24.9 million of taxable undistributed income for Tax Year 2008. Over three-quarters, or \$19 million, of this total was undistributed income from Tax Year 2007, while the remaining \$5.9 million was undistributed income from years prior to Tax Year 2007. While smaller foundations were more likely to have some amount of taxable undistributed income, the average amount increased for larger foundations. For example, the average amount of taxable undistributed income was

Figure I

Domestic Nonoperating Private Foundations: Median Payout Rates and Selected Percentages, by Size of End-of-Year Fair Market Value of Total Assets, Tax Years 2007 and 2008

Tax year, payout rate	Asset size [1]					
	All foundations	Less than \$1,000,000	\$1,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
Tax Year 2007 median payout rate (percentage)	5.7	6.6	5.3	5.2	5.3	5.2
Percentage of foundations with payout rates equaling:						
Less than 0.2 percent	4.2	5.9	1.5	0.9	1.3	0.3
0.2 percent under 3.3 percent	5.4	5.1	6.4	4.7	4.1	4.6
3.3 percent under 4.8 percent	11.2	7.7	16.3	18.9	18.4	19.4
4.8 percent under 5 percent	8.1	6.6	10.4	11.6	9.9	9.3
5 percent or more	71.1	74.8	65.3	63.9	66.3	66.5
5 percent under 6.5 percent	27.9	24.1	33.7	34.9	36.8	39.8
6.5 percent under 13 percent	16.3	15.4	17.7	17.9	18.5	18.0
13 percent under 75 percent	15.7	18.4	11.6	9.6	9.9	7.9
75 percent under 200 percent	4.7	6.8	1.3	0.8	1.2	0.7
200 percent or more	6.6	10.0	1.0	0.6	0.0	0.1
Tax Year 2008 median payout rate (percentage)	6.2	6.9	5.8	5.8	5.9	5.7
Percentage of foundations with payout rates equaling:						
Less than 0.2 percent	4.9	6.6	1.5	0.7	0.8	0.9
0.2 percent under 3.3 percent	4.1	3.9	4.6	4.3	4.1	3.7
3.3 percent under 4.8 percent	7.4	6.5	9.4	9.5	10.0	9.6
4.8 percent under 5 percent	6.7	5.9	8.6	8.8	7.1	5.9
5 percent or more	76.8	77.1	75.9	76.9	78.0	79.9
5 percent under 6.5 percent	29.5	24.6	39.2	40.8	40.9	46.0
6.5 percent under 13 percent	20.2	19.2	21.9	23.4	25.4	23.5
13 percent under 75 percent	16.8	19.0	12.8	10.9	9.8	9.4
75 percent under 200 percent	4.3	5.7	1.3	1.3	1.1	0.7
200 percent or more	6.0	8.7	0.6	0.4	0.8	0.4

[1] Foundations were assigned to asset-size classes based on the reported constant dollar end-of-year fair market value of total assets for each tax year.

NOTE: Tax Year 2007 amounts have been adjusted for inflation based on the 2005 chain-type price index for Gross Domestic Product, as published by the U.S. Department of Commerce, Bureau of Economic Analysis. Inflation-adjusted money amounts were calculated in 2008 constant dollars.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Figure J

IRC Section 4942 Undistributed Income Tax Reported by Domestic Private Foundations on Form 4720, by Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008

[Money amounts are in thousands of dollars]

Asset size	Undistributed income subject to IRC section 4942 excise tax						Total excise tax on undistributed income	
	Total		Tax years prior to 2007		Tax Year 2007		Number of returns	Amount
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All foundations	1,350	24,890	397	5,925	1,200	18,965	1,350	7,467
Less than \$1,000,000	1,072	7,933	344	2,864	946	5,069	1,072	2,380
\$1,000,000 less than \$10,000,000	246	8,941	49	1,958	225	6,984	246	2,682
\$10,000,000 less than \$50,000,000	** 32	** 8,016	** 4	** 1,104	** 29	** 6,912	** 32	** 2,405
\$50,000,000 less than \$100,000,000	**	**	**	**	**	**	**	**
\$100,000,000 or more	0	0	0	0	0	0	0	0

** Data combined to prevent disclosure of specific taxpayer data.

\$18,437 for all private foundations, while the average was \$7,400 for private foundations with less than \$1 million of total assets and \$250,500 for private foundations with \$10 million or more of total assets.

Generally, undistributed income was taxed at a rate of 30 percent.¹² In some cases, including allowances for 5-year “start-up” periods for new foundations and certain types of organizational transitions or terminations, Tax Year 2007 undistributed income was not subject to the IRC section 4942 excise tax. Between Tax Years 2003 and 2007, the amount of taxable undistributed income increased 8.3 percent, but, as a result of the increased excise tax rates in effect after the passage of the Pension Protection Act of 2006, the reported amount of tax on undistributed income more than doubled to \$7.5 million. As a percentage of all private foundation excise taxes reported on Form 4720, taxes on undistributed income increased 18.3 percent, from 63.4 percent to 81.7 percent.

Self-Dealing Taxes Under IRC Section 4941

The third largest excise tax amount reported for Tax Year 2008 was for acts of self-dealing. The amount of self-dealing tax is calculated as a percentage of the amount involved in the self-dealing act. For Tax

Year 2008, a total of 323 self-dealing acts involving \$10.6 million were reported by private foundations, for a total self-dealing tax amount of \$1.3 million.

Acts of self-dealing are classified into five categories on Form 4720, as shown in Figure K. For Tax Year 2008, the most commonly reported act of self-dealing was borrowing money from, lending money to, or otherwise extending credit to disqualified persons. These activities accounted for 43.3 percent of self-dealing acts and 10.8 percent of the total self-dealing tax amount. The second-highest reported act of self-dealing, paying compensation to or reimbursing a disqualified person, accounted for 22.6 percent of self-dealing acts and 78.7 percent of the total self-dealing tax amount. The remaining three categories—transferring income or assets to a disqualified person; selling, exchanging, or leasing property to a disqualified person; and furnishing goods, services, or facilities to a disqualified person—together accounted for 34.1 percent of all acts of self-dealing and only 10.4 percent of the total self-dealing tax amount.

Additional Excise Taxes Under IRC Sections 4943-4945

Under IRC section 4943, private foundations whose holdings in an unrelated corporation exceed allowed

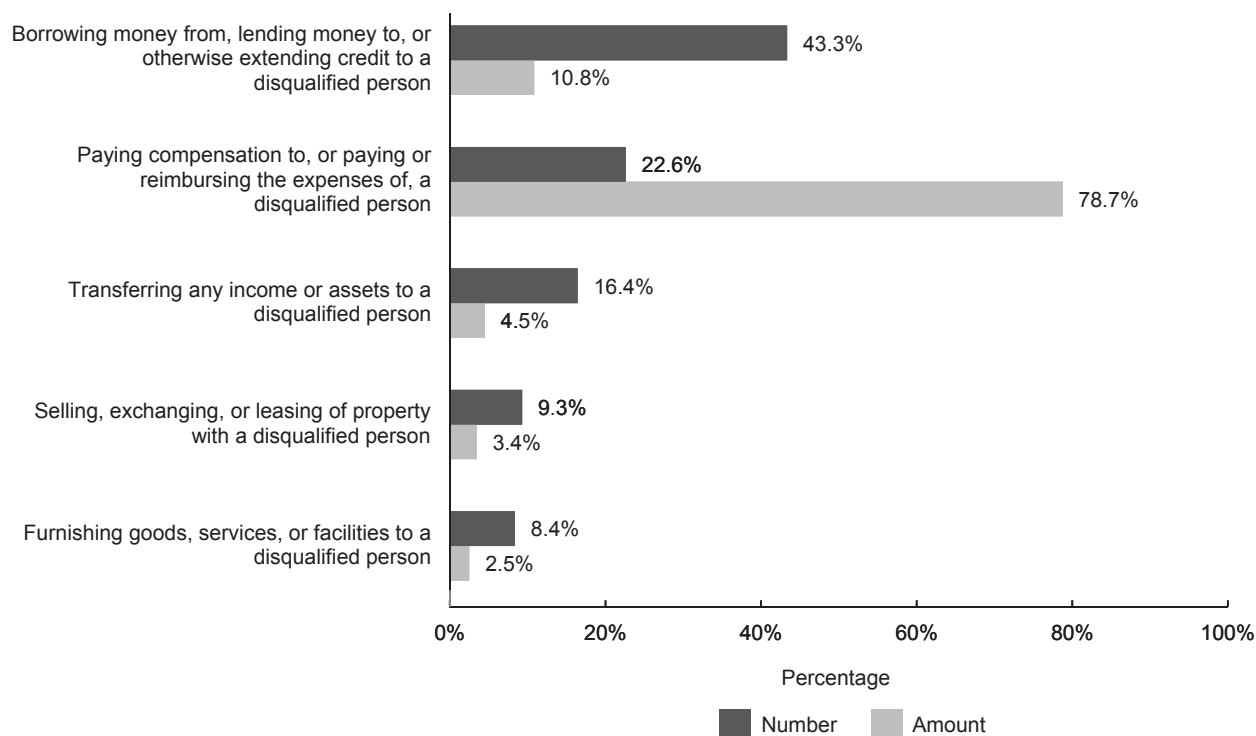
¹² The excise tax on undistributed income is a “two-tier” tax, which consists of an initial tax and additional tax. If a private foundation has undistributed income for a reporting year that remains undistributed at the end of the following tax year, the initial tax of 30 percent automatically is imposed. Any organization that fails to distribute the undistributed income within a designated “correction period” may be subject to the additional tax, which equals 100 percent of the amount of the undistributed income.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Figure K

IRC Section 4941 Self-Dealing Acts as a Percentage of Total, by Type, Tax Year 2008 [1]



[1] Data are compiled from Schedule A of Forms 4720 filed during Calendar Years 2009 and 2010 by domestic private foundations only. Includes initial tax, as well as tax on foundation managers, office directors, trustees, and other individuals.

NOTE: Percentages are based on the total number of reported acts of self-dealing, rather than the frequency of returns. A single return might have included one or more acts of self-dealing.

amounts are subject to taxes on excess business holdings. Generally, foundations are limited to holding 20 percent of the voting stock of a corporation, reduced by the percentage actually or constructively owned by disqualified persons. Private foundations are subject to an initial 10-percent tax on excess business holdings. If a foundation fails to dispose of these holdings within a specified correction period, it may be subject to a second-tier tax of 200 percent on the excess business holdings. This second-tier tax is not reported on Form 4720.

IRC section 4944 imposes taxes on any organization that invests in a manner that endangers the organization's ability to carry out its tax-exempt purposes. A jeopardizing investment is one that shows a lack of reasonable business care and prudence in providing for the foundation's short- and long-term financial needs. Foundations that hold large percentages of their portfolios in such

investments, which may include high-risk, low-yield investments, securities purchased on the margin, commodity futures, working interest in oil and gas wells, "puts," "calls," and "straddles," warrants, and short sales, may be subject to the tax. High-risk, low-return "program-related" investments, which are investments made in support of a foundation's charitable purpose, are excluded from IRC section 4944 tax. For example, a foundation that, as one of its charitable activities, provided loans to a small business in an economically disadvantaged area would not be subject to the tax on the loan transactions.

A number of expenditures are designated as taxable under IRC section 4945. These include attempting to influence legislation or the outcome of a specific election; providing a grant to an individual for travel, study, or other similar purpose; or providing support for any other than religious, charitable, scientific, literary, or educational purposes.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

A foundation that provides a grant to an organization other than a recognized charitable organization may also incur taxable expenditures, but may avoid tax liability by exercising “expenditure responsibility” with respect to the grant. Expenditure responsibility requires the foundation to set up procedures to ensure that the grant is spent solely for the purpose for which it was made, provide reports from the grantee on how the grant was spent, and fully disclose the expenditures to the IRS.

A total of 73 private foundations reported excise taxes for either taxable excess business holdings or taxable expenditures under IRC sections 4943 and 4945 for Tax Year 2008. As shown in Figure L, these foundations reported 150 acts of excess business holdings or taxable expenditures and incurred a tax liability of \$415,005, which accounted for 4.5 percent of the total excise taxes reported by all private foundations reported on Form 4720 for Tax Year 2008. The mean value of the combined tax amounts was \$2,767, while the median value was \$670, indicating that the amounts of tax reported for each act varied substantially. No private foundation filed a Form 4720 reporting IRC section 4944 taxes on jeopardizing investments for Tax Year 2008.

Figure L

IRC Sections 4943 and 4945 Excise Taxes Reported by Domestic Private Foundations on Form 4720, Tax Year 2008

[Money amounts are in whole dollars]

Item	Sections 4943 and 4945, combined [1]
Number of returns with taxable acts	73
Number of taxable acts	150
Total reported tax	415,005
Mean tax amount per taxable act	2,767
Median tax amount per taxable act	670
Percentage of all 4720 filers	9.6
Percentage of total 4720 taxes	4.5

[1] Section 4943: initial tax on excess business holdings, section 4945: taxes on taxable expenditures.

NOTE: Data are compiled from Schedules C and E of Forms 4720 filed during Calendar Years 2009 and 2010 by domestic private foundations only. Includes initial tax, as well as tax on foundation managers, office directors, trustees, and other individuals.

Summary

Private foundations exempt under IRC section 501(c)(3) filed 90,850 Forms 990-PF for Tax Year 2008, a 7.4-percent increase over the previous year. These private foundations reported \$526.5 billion in total assets and \$49.7 billion in total revenue, both double-digit decreases from Tax Year 2007. The amount of contributions, gifts, and grants distributed declined 1.5 percent from the previous year. Nonoperating private foundations, which primarily distributed grants in support of their charitable purposes, represented the majority of filers.

Large foundations, those with assets of \$50 million or more, represented 1.5 percent of filers, but held more than two-thirds of the fair market value of total assets reported by private foundations for Tax Year 2008. Additionally, large foundations received the majority of total revenue and distributed the majority of reported contributions, gifts, and grants.

Although exempt from traditional income taxes, private foundations were required to report and pay excise taxes under IRC sections 4940 through 4945. Domestic private foundations reported \$298.2 million in excise tax liability for Tax Year 2008. The IRC section 4940 excise tax on net investment income, at \$289.1 million, was the largest component of excise taxes. This tax was reported on Form 990-PF and was required for most private foundations that held investment assets. Additional excise taxes, under IRC sections 4941-4945, were reported on Form 4720 by private foundations and disqualified persons that engaged in prohibited activities for Tax Year 2008. The IRC section 4942 tax on undistributed income, paid by nonoperating private foundations that failed to meet their charitable distribution requirement for a previous tax year, was the largest private foundation excise tax reported on Form 4720. This excise tax totaled \$7.5 million in Tax Year 2008. Taxes on self-dealing, imposed on individuals under IRC section 4941, totaled \$1.3 million and was the second-largest tax reported on Form 4720 for private foundations. The remaining taxes reported by private foundations on Form 4720, described in IRC sections 4943-4945, totaled less than \$0.5 million for Tax Year 2008.

Data Sources and Limitations

The statistics for returns filed by private foundations for Tax Year 2008 that are presented in this article are based on a sample of Tax Year 2008 Forms 990-PF that were filed with the Internal Revenue Service. Organizations having accounting periods beginning in 2008 (and therefore ending between December 2008 and November 2009) that filed returns that posted to the IRS Business Master File in Calendar Years 2009 and 2010 were included in the sample. Some part-year returns were included in the samples for organizations that changed their accounting periods, or filed initial or final returns. Some 71 percent of the domestic private foundations in the sample had accounting periods covering Calendar Year 2008 or, in some cases, part-year periods that ended in December 2008.

The Tax Year 2008 sample was stratified based on both the size of fair market value of total assets and the type of organization (either a private foundation or an IRC section 4947(a)(1) charitable trust). To accomplish this, 100 percent of returns filed for foundations with fair market asset value of \$10 million or more were included in the samples, since these organizations represented the vast majority of financial activity. Just over 6 percent of all foundations reported \$10 million or more in fair market value of total assets for 2008 and were selected at a rate of 100 percent. The remaining foundation population was randomly selected for the sample at various rates of less than 100 percent depending on asset size. The realized sampling rates for each asset-size category are included in Figure M. Figure N shows the magnitude of sampling error for selected items for Tax Year 2008, measured by coefficients of variation.

Efforts were made to verify that organizations selected into the sample were properly classified as foundations or trusts. The relatively few foundations in the sample that were incorrectly selected as trusts were ultimately treated as foundations for these statistics, and the relatively few trusts incorrectly sampled as foundations were also reclassified. However, the weights used for these organizations were based on the original sample selection classification.

For Tax Year 2008, there were 8,533 foundation returns in the sample selected from a population of 94,837. The difference between the actual population of Forms 990-PF records that posted to the IRS

Figure M

Realized Sampling Rates for Private Foundation Returns, by Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008

Asset size	Realized sampling rate (percentage)
Less than \$125,000	1.0
\$125,000 under \$400,000	1.9
\$400,000 under \$1,000,000	2.1
\$1,000,000 under \$2,500,000	6.5
\$2,500,000 under \$10,000,000	10.0
\$10,000,000 or more	100.0

Business Master File during 2009 and 2010 and the estimated population of domestic foundation returns as published in this article results from sample code changes and the effects of returns that were “rejected” from the sample as part of the editing process. For example, foreign returns and duplicate filings by a single organization were included in the actual population of Forms 990-PF filed but were rejected from the SOI sample.

The statistics included in this article for Forms 4720 filed for Tax Year 2008 were obtained from the combined population of Forms 4720 filed in Calendar Years 2009 and 2010. Of the 3,916 Forms 4720 received from private foundations, charitable trusts, or disqualified persons over the 2 calendar years, 1,944 were filed for Tax Year 2008. Returns filed by charitable trusts were excluded from the analysis; data from the 1,442 private foundations and associated disqualified persons are included in these statistics. Due to IRS processing procedures, in a small number of cases, a return filed by an individual whose accounting period differed from that of his or her associated private foundation might have been excluded from the population of filers.

The data presented were obtained from returns as originally filed with IRS. In most cases, changes made to the original return because of administrative processing, audit procedures, or a taxpayer amendment were not captured in the statistics. The data were subject to comprehensive testing and correction procedures in order to ensure statistical reliability and validity. A general discussion

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Figure N

Coefficients of Variation for Domestic Private Foundations, Selected Items, by Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008

Item	Total	Asset size							
		Assets zero or unreported	\$1 under \$100,000	\$100,000 under \$1,000,000	\$1,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Number of returns	0.0	22.1	2.8	1.6	0.5	N/A	N/A	N/A	N/A
Total revenue	2.1	5,035.2	22.6	24.4	9.0	N/A	N/A	N/A	N/A
Contributions, gifts, and grants received	2.2	71.5	24.9	24.4	7.9	N/A	N/A	N/A	N/A
Dividends and interest from securities	0.4	85.7	13.4	3.5	1.9	N/A	N/A	N/A	N/A
Net gain (less loss) from sales of assets	2.7	70.6	665.8	14.4	9.9	N/A	N/A	N/A	N/A
Total expenses	1.6	54.0	21.0	18.8	5.8	N/A	N/A	N/A	N/A
Excess of revenue over expenses	6.0	69.9	46.6	22.8	23.1	N/A	N/A	N/A	N/A
Net investment income	1.1	76.8	36.5	8.5	7.3	N/A	N/A	N/A	N/A
Disbursements for charitable purposes	1.8	55.0	22.6	20.8	5.4	N/A	N/A	N/A	N/A
Contributions, gifts, and grants paid	1.8	55.9	25.6	22.3	5.7	N/A	N/A	N/A	N/A
Excise tax on net investment income	1.4	76.8	32.8	10.5	7.9	N/A	N/A	N/A	N/A
Total assets (book value)	0.2	* 0.0	12.0	1.8	1.1	N/A	N/A	N/A	N/A
Total investment assets (savings)	0.2	* 0.0	14.7	2.3	1.3	N/A	N/A	N/A	N/A
Securities, total	0.3	* 0.0	19.6	3.5	1.9	N/A	N/A	N/A	N/A
Government obligations	0.7	* 0.0	41.5	12.5	5.9	N/A	N/A	N/A	N/A
Corporate stock	0.4	* 0.0	22.0	4.3	2.1	N/A	N/A	N/A	N/A
Corporate bonds	0.8	* 0.0	35.5	8.5	4.3	N/A	N/A	N/A	N/A
Total assets (fair market value)	0.2	* 0.0	7.0	1.4	1.0	N/A	N/A	N/A	N/A
Total investment assets (savings)	0.2	* 0.0	8.7	1.9	1.1	N/A	N/A	N/A	N/A
Securities, total	0.3	* 0.0	13.2	3.1	1.7	N/A	N/A	N/A	N/A
Government obligations	0.7	* 0.0	41.3	12.4	5.9	N/A	N/A	N/A	N/A
Corporate stock	0.3	* 0.0	14.7	3.8	2.0	N/A	N/A	N/A	N/A
Corporate bonds	0.8	* 0.0	34.7	8.1	4.1	N/A	N/A	N/A	N/A
Net worth (book value)	0.2	99.4	28.9	1.9	1.2	N/A	N/A	N/A	N/A
Noncharitable-use assets	0.2	93.5	8.0	1.8	1.2	N/A	N/A	N/A	N/A
Minimum investment return	0.2	93.5	8.1	1.8	1.2	N/A	N/A	N/A	N/A
Distributable amount	0.3	93.5	9.0	2.1	1.4	N/A	N/A	N/A	N/A
Qualifying distributions	1.7	54.3	22.4	20.6	5.3	N/A	N/A	N/A	N/A
Undistributed income for current year	0.7	* 0.0	18.5	7.4	4.0	N/A	N/A	N/A	N/A
Excess distributions carryover to next year	3.8	50.9	23.5	17.6	11.3	N/A	N/A	N/A	N/A

* No money amount reported.

N/A—Not applicable.

of the reliability of estimates based on samples, methods for evaluating both the magnitude of sampling and non-sampling error, and the precision of sample estimates can be found in SOI Sampling Methodology and Data Limitations later in this issue of the *SOI Bulletin*, or at <http://www.irs.gov/pub/irs-soi/sampling.pdf>.

Explanation of Selected Terms

The following explanations describe terms as they applied to private foundations:

Disbursements for charitable purposes—These disbursements are outlays made exclusively in support of a foundation’s tax-exempt purpose and

include grants paid and operating and administrative expenses. They were the largest component of “qualifying distributions” for Tax Year 2008. The total of disbursements for charitable purposes was reported on Form 990-PF, Part I, line 26, column (d).

Disqualified person—In general, a disqualified person is a substantial contributor; a foundation manager; a person who owns more than 20 percent of a corporation, partnership, trust, or unincorporated enterprise that is itself a substantial contributor; or a family member of a disqualified person.

Distributable (payout) amount—This is the minimum payout amount that is required to be distributed by nonoperating foundations by the end of the tax year

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

that follows the tax year for which the return was filed. For example, foundations were required to distribute their Tax Year 2008 amounts before the end of Tax Year 2009. Failure to distribute income within this period results in a 30-percent excise tax on the undistributed portion. The distributable amount equals 5 percent of the net value of noncharitable-use assets, called the “minimum investment return,” minus the excise tax on net investment income, plus or minus other adjustments, either allowed or required (see “Net adjustments to distributable amount” in this section).

Minimum investment return—The minimum investment return is used as the base for calculating the “distributable amount.” This is the aggregate fair market value of assets not used for charitable purposes, less both the indebtedness incurred to acquire these assets and the cash held for charitable activities, multiplied by 5 percent. Minimum investment return was reported on Form 990-PF, Part X, line 6.

Net adjustments to distributable amount—The “distributable amount” is increased by recoveries of amounts previously treated as qualifying distributions. Additionally, certain organizations with governing instruments that require the accumulation of income are instructed to deduct the accumulated income from their distributable amount. These adjustments are allowed only for foundations organized before May 27, 1969, whose governing instrument requires such accumulation because State Courts would not allow the organization to change the governing instrument. Recoveries on amounts treated as qualifying distributions and the deduction for accumulated income were reported on Form 990-PF, Part XI, lines 4 and 6, respectively.

Net investment income—This equals gross investment income less allowable deductions. Interest, dividends, rents, royalties, net income from realized capital gains, and, beginning in 2006, certain other similar income from investments are included in net investment income. Any investment income derived from unrelated trade or business activities, and therefore subject to the “unrelated business income” tax and reported on Form 990-T, *Exempt Organization Business Income Tax Return*, is excluded. Net investment income was reported on Form 990-PF, Part I, line 27b, column (b).

Net value of noncharitable-use assets—An asset is considered a noncharitable-use asset if it is not used in carrying out a charitable, educational,

or other similar function that relates directly to the tax-exempt status of the foundation. Examples include the fair market values of securities and rental property owned by the foundation for investment purposes. For purposes of calculating the “minimum investment return,” valuation methods for noncharitable-use assets reported in this section differ from those used to report the end-of-year fair market values for all assets in Part II. The average, rather than end-of-year, fair market values of cash and securities that were not used or held for use for charitable purposes during the tax year is derived and used in this calculation. With certain exceptions, other assets included in this calculation are valued annually, but not necessarily based on the end-of-year value. The fair market values of noncharitable-use assets may reflect reductions due to certain characteristics associated with those assets, such as lack of marketability or blockage. The net value of noncharitable-use assets is reduced by acquisition indebtedness and cash deemed held for charitable purposes; the latter reduction is generally limited to 1.5 percent of noncharitable-use assets less acquisition indebtedness. Thus, the net value of noncharitable-use assets, which was reported on Form 990-PF, Part X, line 5 as an element of the “minimum investment return” calculation, differed from the balance sheet-derived fair market value of total assets, as reported on Part II, line 16, column (c), which equaled the total end-of-year value for all assets held by the foundation.

Nonoperating foundations—These are foundations that generally carried on their charitable activities in an indirect manner by making grants to other organizations directly engaged in charitable activities, in contrast to operating foundations that engaged in charitable activities themselves. However, for Tax Year 2008, some nonoperating foundations may have been actively involved in charitable programs of their own, in addition to making grants. For example, a foundation initially organized as operating that was unable to meet the operating foundation requirements for Tax Year 2008 could have continued its direct charitable activities. Such an organization could have directed expenditures made for these direct charitable activities, as well as expenditures made for the disbursement of contributions, gifts, and grants and other indirect charitable activities, toward meeting the required distribution requirement.

Operating foundations—These foundations generally expended their income for direct, active

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

involvement in a tax-exempt activity. Operating foundations were exempted from the income distribution requirement and related excise taxes that were applicable to their nonoperating counterparts. Individual taxpayers could deduct contributions to operating foundations on their individual income tax returns; the deduction could not exceed 50 percent of a donor's "adjusted gross income" (as opposed to 30 percent for contributions to nonoperating foundations).

Private foundation—A private foundation is defined in IRC section 501(c)(3) as a nonprofit organization with a narrow source of funds that operated or supported educational, scientific, charitable, religious, and other programs dedicated to improving the general welfare of society. A private foundation was an organization that qualified for tax-exempt status under IRC section 501(c)(3) but was not (1) a church, school, hospital, or medical research organization; (2) an organization with broad public support in the form of contributions or income from tax-exempt activities; (3) an organization that was operated by, or in connection with, any of the above described organizations; or (4) an organization that conducted tests for public safety. The primary difference between a private foundation and other organizations exempt under 501(c)(3) was the source of the organization's funding. An individual, a family, or a corporation typically funded foundations, while most other tax-exempt organizations received funds from a large number of sources among the general public.

Qualifying distributions—Qualifying distributions include disbursements for charitable purposes (grants, direct expenditures to accomplish charitable purposes, and charitable-purpose operating and administrative expenses); amounts paid to acquire assets used directly to accomplish tax-exempt functions; charitable program-related investments; and amounts set aside for future charitable projects. Qualifying distributions may be credited against a foundation's obligation to pay out its "distributable amount." Total qualifying distributions were reported on Form 990-PF, Part XII, line 4.

Set-asides—Amounts set-aside for specific charitable purposes can be treated as qualifying distributions only if the foundation establishes to the satisfaction of the IRS that the amount will be paid for the specific project within 60 months from the date of the first set-aside and if the foundation

meets either the suitability test or the cash distribution test. To meet the suitability test, a foundation must receive prior approval from the IRS and must demonstrate that the project can be better accomplished by a set-aside than by an immediate payment of funds. To meet the cash distribution test under IRC section 4942(g)(2)(B)(ii), a foundation must attach a distribution schedule to its annual return for the year of the set-aside and for each subsequent year until the set-aside amount has been distributed. Set-asides were reported on Form 990-PF, Part XII, lines 3a and 3b.

Total assets—This is the sum of all assets reported in the foundation's balance sheet, shown at both book value and fair market value. Total assets were reported on Form 990-PF, Part II, line 16, columns (a) beginning-of-year book value, (b) end-of-year book value, and (c) end-of-year fair market value.

Total revenue—This is the sum of gross contributions, gifts, and grants received; interest on savings and temporary cash investments; dividends and interest from securities; net gain (or loss) from sales of assets (mostly investment assets, but also charitable-use assets); gross rents and royalties; gross profit (or loss) from business activities; and other income (such as royalty income, program-related investment income, interest earned on assets used for charitable purposes, and imputed interest on distributions deferred interest). Total revenue items, which included both investment and charitable-use items, were reported on Form 990-PF, Part I, line 12, column (a).

Undistributed income—This is the portion of the required "distributable amount" still undistributed after the sum of current-year qualifying distributions and any excess distributions carried over from prior years are subtracted. This item was reported on Form 990PF, Part XIII, line 6f, column (d). Under IRC section 4942, nonoperating private foundations that did not pay out an amount equal to the Tax Year 2007 "distributable amount" by the end of Tax Year 2008 were subject to an excise tax on the undistributed amount. As a result of legislation included in the Pension Protection Act of 2006, the initial tax on undistributed income was increased from 15 percent to 30 percent of the undistributed amount for taxable years beginning after August 17, 2006. The tax, which is automatically imposed, is reported on Form 4720.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 1. Domestic Private Foundations: Number and Selected Financial Data, by Type of Foundation and Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008

[All figures are estimates based on a sample—money amounts are in thousands dollars]

Type of foundation, asset size	Number of returns	Total revenue		Selected sources of revenue			
		Number of returns	Amount	Contributions, gifts, and grants received		Dividends and interest from securities	
				Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All foundations							
Total	90,850	88,287	49,673,467	38,216	43,786,766	65,880	11,186,281
Zero or unreported	1,920	1,616	1,710	1,010	85,227	* 505	* 16,272
\$1 under \$100,000	24,562	22,441	908,518	13,843	782,019	9,911	16,419
\$100,000 under \$1,000,000	36,050	35,950	3,173,339	12,891	3,114,489	29,403	415,330
\$1,000,000 under \$10,000,000	22,687	22,657	7,329,320	8,147	6,659,378	20,757	1,955,207
\$10,000,000 under \$25,000,000	3,136	3,131	4,844,067	1,234	4,239,026	2,941	1,264,821
\$25,000,000 under \$50,000,000	1,177	1,177	4,610,424	478	4,247,933	1,112	1,004,967
\$50,000,000 under \$100,000,000	695	694	4,570,631	321	4,249,049	659	1,141,574
\$100,000,000 or more	622	621	24,235,459	291	20,409,645	592	5,371,690
Nonoperating foundations							
Total	83,024	80,531	40,519,398	33,009	35,805,343	62,417	10,696,813
Zero or unreported	1,718	1,414	-4,877	* 909	* 81,185	* 404	* 15,034
\$1 under \$100,000	20,924	18,803	753,366	11,417	651,584	8,699	14,425
\$100,000 under \$1,000,000	34,139	34,086	2,410,861	11,777	2,492,210	28,675	404,408
\$1,000,000 under \$10,000,000	21,104	21,094	6,313,780	6,975	5,932,730	19,709	1,891,027
\$10,000,000 under \$25,000,000	2,867	2,864	3,693,800	1,020	3,329,819	2,747	1,207,891
\$25,000,000 under \$50,000,000	1,073	1,073	3,636,742	392	3,451,939	1,036	964,875
\$50,000,000 under \$100,000,000	635	634	3,694,388	275	3,589,814	605	1,083,063
\$100,000,000 or more	564	563	20,021,337	244	16,276,062	542	5,116,092
Operating foundations							
Total	7,826	7,756	9,154,069	5,207	7,981,422	3,462	489,468
Zero or unreported	* 202	* 202	* 6,587	* 101	* 4,042	* 101	* 1,238
\$1 under \$100,000	3,638	3,638	155,152	2,426	130,435	1,212	1,994
\$100,000 under \$1,000,000	1,912	1,864	762,479	1,114	622,279	728	10,923
\$1,000,000 under \$10,000,000	1,583	1,563	1,015,539	1,173	726,647	1,048	64,181
\$10,000,000 under \$25,000,000	269	267	1,150,266	214	909,207	194	56,931
\$25,000,000 under \$50,000,000	104	104	973,681	86	795,995	76	40,092
\$50,000,000 under \$100,000,000	60	60	876,243	46	659,234	54	58,511
\$100,000,000 or more	58	58	4,214,121	47	4,133,583	50	255,598
Grantmaking foundations							
Total	76,668	75,902	44,095,967	30,140	39,432,344	61,234	10,988,412
Zero or unreported	1,515	1,212	-229	* 606	* 83,288	* 505	* 16,272
\$1 under \$100,000	16,175	15,771	730,868	9,296	690,966	8,192	14,715
\$100,000 under \$1,000,000	32,595	32,548	2,419,377	11,167	2,457,020	27,682	399,241
\$1,000,000 under \$10,000,000	21,086	21,076	5,578,426	6,997	5,495,750	19,769	1,897,030
\$10,000,000 under \$25,000,000	2,930	2,929	4,044,893	1,084	3,681,310	2,807	1,230,859
\$25,000,000 under \$50,000,000	1,104	1,104	3,707,390	422	3,432,762	1,066	985,387
\$50,000,000 under \$100,000,000	666	666	4,126,204	297	3,868,677	637	1,118,082
\$100,000,000 or more	597	597	23,489,038	270	19,722,571	575	5,326,828

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 1. Domestic Private Foundations: Number and Selected Financial Data, by Type of Foundation and Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands dollars]

Type of foundation, asset size	Number of returns	Total revenue		Selected sources of revenue			
				Contributions, gifts, and grants received		Dividends and interest from securities	
		Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Grantmaking-nonoperating foundations							
Total	72,330	71,622	36,915,270	27,685	32,879,888	59,002	10,635,867
Zero or unreported	1,313	1,010	-6,816	* 505	* 79,246	* 404	* 15,034
\$1 under \$100,000	14,154	13,750	629,797	8,285	592,862	7,283	12,937
\$100,000 under \$1,000,000	31,555	31,555	2,191,281	10,565	2,310,260	27,203	391,113
\$1,000,000 under \$10,000,000	20,266	20,266	4,994,684	6,452	5,054,273	19,238	1,862,086
\$10,000,000 under \$25,000,000	2,809	2,808	3,385,281	993	3,120,221	2,711	1,200,320
\$25,000,000 under \$50,000,000	1,051	1,051	2,934,009	377	2,751,381	1,024	960,468
\$50,000,000 under \$100,000,000	624	624	3,378,962	267	3,285,583	600	1,079,197
\$100,000,000 or more	557	557	19,408,071	240	15,686,062	539	5,114,710
Grantmaking-operating foundations							
Total	4,338	4,280	7,180,697	2,455	6,552,456	2,232	352,545
Zero or unreported	* 202	* 202	* 6,587	* 101	* 4,042	* 101	* 1,238
\$1 under \$100,000	2,021	2,021	101,070	1,010	98,104	* 909	* 1,777
\$100,000 under \$1,000,000	1,040	992	228,095	602	146,760	480	8,127
\$1,000,000 under \$10,000,000	819	809	583,742	546	441,477	531	34,943
\$10,000,000 under \$25,000,000	121	121	659,612	91	561,089	96	30,538
\$25,000,000 under \$50,000,000	53	53	773,381	45	681,381	42	24,919
\$50,000,000 under \$100,000,000	42	42	747,242	30	583,094	37	38,884
\$100,000,000 or more	40	40	4,080,967	30	4,036,509	36	212,117

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 1. Domestic Private Foundations: Number and Selected Financial Data, by Type of Foundation and Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands dollars]

Type of foundation, asset size	Selected sources of revenue—continued		Total expenses		Excess of revenue (less loss) over expenses	
	Net gain (less loss) from sales of assets					
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(8)	(9)	(10)	(11)	(12)	(13)
All foundations						
Total	53,739	-9,890,106	88,860	60,321,610	89,116	-10,648,145
Zero or unreported	* 202	* -101,405	1,920	295,304	1,515	-293,594
\$1 under \$100,000	6,274	4,530	22,845	1,178,507	23,350	-269,991
\$100,000 under \$1,000,000	23,202	-675,060	35,897	4,029,140	35,949	-855,801
\$1,000,000 under \$10,000,000	18,995	-2,352,988	22,581	9,744,833	22,677	-2,415,514
\$10,000,000 under \$25,000,000	2,776	-1,231,648	3,129	6,260,230	3,133	-1,416,164
\$25,000,000 under \$50,000,000	1,063	-990,865	1,177	5,080,174	1,176	-469,750
\$50,000,000 under \$100,000,000	637	-1,098,149	693	5,642,263	694	-1,071,632
\$100,000,000 or more	590	-3,444,521	619	28,091,158	621	-3,855,699
Nonoperating foundations						
Total	51,520	-9,197,638	81,158	54,190,204	81,505	-13,670,807
Zero or unreported	* 202	* -101,405	1,718	288,404	1,414	-293,281
\$1 under \$100,000	5,769	5,726	19,308	1,005,901	19,813	-252,536
\$100,000 under \$1,000,000	22,712	-637,876	33,986	3,181,511	34,038	-770,650
\$1,000,000 under \$10,000,000	18,126	-2,302,228	21,018	8,765,044	21,104	-2,451,263
\$10,000,000 under \$25,000,000	2,596	-1,221,059	2,862	5,210,316	2,866	-1,516,516
\$25,000,000 under \$50,000,000	991	-959,715	1,073	4,238,580	1,073	-601,838
\$50,000,000 under \$100,000,000	584	-1,119,138	633	4,932,372	634	-1,237,984
\$100,000,000 or more	540	-2,861,942	561	26,568,077	563	-6,546,740
Operating foundations						
Total	2,219	-692,469	7,703	6,131,406	7,611	3,022,663
Zero or unreported	0	0	* 202	* 6,900	* 101	* -312
\$1 under \$100,000	* 505	* -1,196	3,537	172,607	3,537	-17,455
\$100,000 under \$1,000,000	490	-37,184	1,912	847,630	1,912	-85,151
\$1,000,000 under \$10,000,000	869	-50,759	1,563	979,790	1,573	35,750
\$10,000,000 under \$25,000,000	180	-10,589	267	1,049,914	267	100,352
\$25,000,000 under \$50,000,000	72	-31,150	104	841,594	103	132,088
\$50,000,000 under \$100,000,000	53	20,988	60	709,892	60	166,351
\$100,000,000 or more	50	-582,579	58	1,523,081	58	2,691,041
Grantmaking foundations						
Total	50,950	-9,706,710	76,668	57,259,496	76,262	-13,163,529
Zero or unreported	* 202	* -101,405	1,515	293,333	1,313	-293,562
\$1 under \$100,000	5,869	9,205	16,175	999,898	16,074	-269,030
\$100,000 under \$1,000,000	21,882	-656,873	32,595	3,405,469	32,494	-986,093
\$1,000,000 under \$10,000,000	18,130	-2,326,322	21,086	8,683,111	21,086	-3,104,685
\$10,000,000 under \$25,000,000	2,652	-1,219,515	2,930	5,702,509	2,929	-1,657,616
\$25,000,000 under \$50,000,000	1,023	-949,489	1,104	4,880,171	1,103	-1,172,781
\$50,000,000 under \$100,000,000	619	-1,087,625	666	5,428,488	666	-1,302,283
\$100,000,000 or more	574	-3,374,685	597	27,866,517	597	-4,377,479

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 1. Domestic Private Foundations: Number and Selected Financial Data, by Type of Foundation and Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands dollars]

Type of foundation, asset size	Selected sources of revenue—continued		Total expenses		Excess of revenue (less loss) over expenses	
	Net gain (less loss) from sales of assets					
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(8)	(9)	(10)	(11)	(12)	(13)
Grantmaking-nonoperating foundations						
Total	49,497	-9,163,609	72,330	53,093,201	72,027	-16,177,931
Zero or unreported	* 202	* -101,405	1,313	286,433	1,212	-293,249
\$1 under \$100,000	5,465	9,536	14,154	887,745	14,053	-257,948
\$100,000 under \$1,000,000	21,497	-633,659	31,555	3,109,894	31,454	-918,613
\$1,000,000 under \$10,000,000	17,670	-2,295,962	20,266	8,103,976	20,266	-3,109,292
\$10,000,000 under \$25,000,000	2,564	-1,221,017	2,809	5,089,953	2,809	-1,704,671
\$25,000,000 under \$50,000,000	981	-935,123	1,051	4,207,135	1,051	-1,273,126
\$50,000,000 under \$100,000,000	580	-1,116,755	624	4,860,168	624	-1,481,206
\$100,000,000 or more	538	-2,869,224	557	26,547,896	557	-7,139,825
Grantmaking-operating foundations						
Total	1,454	-543,101	4,338	4,166,295	4,234	3,014,402
Zero or unreported	0	0	* 202	* 6,900	* 101	* -312
\$1 under \$100,000	* 404	* -331	2,021	112,152	2,021	-11,082
\$100,000 under \$1,000,000	* 385	* -23,215	1,040	295,575	1,040	-67,479
\$1,000,000 under \$10,000,000	460	-30,360	819	579,135	819	4,607
\$10,000,000 under \$25,000,000	88	1,501	121	612,556	120	47,055
\$25,000,000 under \$50,000,000	42	-14,366	53	673,037	52	100,345
\$50,000,000 under \$100,000,000	39	29,130	42	568,319	42	178,923
\$100,000,000 or more	36	-505,461	40	1,318,621	40	2,762,346

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 1. Domestic Private Foundations: Number and Selected Financial Data, by Type of Foundation and Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands dollars]

Type of foundation, asset size	Net investment income		Disbursements for exempt purposes		Contributions, gifts, and grants paid [1]		Excise tax on net investment income
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns
	(14)	(15)	(16)	(17)	(18)	(19)	(20)
All foundations							
Total	72,819	23,094,202	82,891	49,691,830	76,668	42,822,031	69,313
Zero or unreported	* 404	* 9,118	1,616	278,595	1,515	273,664	* 303
\$1 under \$100,000	13,448	74,711	19,208	1,042,265	16,175	834,698	11,628
\$100,000 under \$1,000,000	32,409	670,961	34,365	3,538,649	32,595	2,799,950	31,392
\$1,000,000 under \$10,000,000	21,205	3,477,911	22,139	7,959,391	21,086	7,062,440	20,778
\$10,000,000 under \$25,000,000	2,971	2,313,399	3,095	5,389,536	2,930	4,483,786	2,896
\$25,000,000 under \$50,000,000	1,121	1,992,769	1,163	4,170,545	1,104	3,668,117	1,092
\$50,000,000 under \$100,000,000	660	2,101,109	689	4,941,160	666	4,336,933	645
\$100,000,000 or more	601	12,454,225	616	22,371,689	597	19,362,443	578
Nonoperating foundations							
Total	68,030	21,829,106	75,879	45,005,337	72,330	41,233,346	65,747
Zero or unreported	* 303	* 6,573	1,414	272,446	1,313	267,516	* 202
\$1 under \$100,000	11,933	72,848	16,176	898,591	14,154	813,351	10,719
\$100,000 under \$1,000,000	30,958	652,360	32,559	2,872,181	31,555	2,740,236	30,147
\$1,000,000 under \$10,000,000	19,910	3,350,977	20,637	7,297,754	20,266	6,897,220	19,773
\$10,000,000 under \$25,000,000	2,739	2,188,549	2,843	4,592,234	2,809	4,128,797	2,731
\$25,000,000 under \$50,000,000	1,035	1,924,529	1,063	3,490,142	1,051	3,240,216	1,030
\$50,000,000 under \$100,000,000	605	1,908,603	629	4,370,519	624	4,002,481	603
\$100,000,000 or more	547	11,724,667	558	21,211,470	557	19,143,529	542
Operating foundations							
Total	4,789	1,265,096	7,012	4,686,493	4,338	1,588,685	3,566
Zero or unreported	* 101	* 2,545	* 202	* 6,149	* 202	* 6,148	* 101
\$1 under \$100,000	1,515	1,863	3,032	143,674	2,021	21,347	* 909
\$100,000 under \$1,000,000	1,452	18,600	1,806	666,469	1,040	59,714	1,245
\$1,000,000 under \$10,000,000	1,294	126,934	1,502	661,637	819	165,220	1,005
\$10,000,000 under \$25,000,000	232	124,850	252	797,302	121	354,989	165
\$25,000,000 under \$50,000,000	86	68,239	100	680,403	53	427,901	62
\$50,000,000 under \$100,000,000	55	192,506	60	570,641	42	334,452	42
\$100,000,000 or more	54	729,558	58	1,160,218	40	218,914	36
Grantmaking foundations							
Total	66,011	22,612,613	76,668	48,037,852	76,668	42,822,031	63,716
Zero or unreported	* 404	* 9,118	1,515	278,541	1,515	273,664	* 303
\$1 under \$100,000	10,719	72,447	16,175	961,106	16,175	834,698	9,506
\$100,000 under \$1,000,000	29,769	638,002	32,595	3,018,575	32,595	2,799,950	29,059
\$1,000,000 under \$10,000,000	20,035	3,336,314	21,086	7,648,178	21,086	7,062,440	19,831
\$10,000,000 under \$25,000,000	2,805	2,238,359	2,930	5,041,297	2,930	4,483,786	2,773
\$25,000,000 under \$50,000,000	1,061	1,949,017	1,104	4,054,844	1,104	3,668,117	1,049
\$50,000,000 under \$100,000,000	639	2,055,800	666	4,822,908	666	4,336,933	629
\$100,000,000 or more	579	12,313,556	597	22,212,403	597	19,362,443	566

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 1. Domestic Private Foundations: Number and Selected Financial Data, by Type of Foundation and Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands dollars]

Type of foundation, asset size	Net investment income		Disbursements for exempt purposes		Contributions, gifts, and grants paid [1]		Excise tax on net investment income
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns
	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Grantmaking-nonoperating foundations							
Total	63,441	21,662,004	72,330	44,859,262	72,330	41,233,346	61,585
Zero or unreported	* 303	* 6,573	1,313	272,392	1,313	267,516	* 202
\$1 under \$100,000	9,810	71,123	14,154	855,131	14,154	813,351	8,900
\$100,000 under \$1,000,000	29,136	624,858	31,555	2,848,404	31,555	2,740,236	28,426
\$1,000,000 under \$10,000,000	19,337	3,265,905	20,266	7,272,903	20,266	6,897,220	19,220
\$10,000,000 under \$25,000,000	2,695	2,162,499	2,809	4,561,595	2,809	4,128,797	2,688
\$25,000,000 under \$50,000,000	1,016	1,909,936	1,051	3,476,155	1,051	3,240,216	1,011
\$50,000,000 under \$100,000,000	600	1,906,520	624	4,361,382	624	4,002,481	599
\$100,000,000 or more	543	11,714,592	557	21,211,300	557	19,143,529	539
Grantmaking-operating foundations							
Total	2,571	950,609	4,338	3,178,590	4,338	1,588,685	2,131
Zero or unreported	* 101	* 2,545	* 202	* 6,149	* 202	* 6,148	* 101
\$1 under \$100,000	* 909	* 1,324	2,021	105,975	2,021	21,347	* 606
\$100,000 under \$1,000,000	633	13,144	1,040	170,171	1,040	59,714	633
\$1,000,000 under \$10,000,000	698	70,409	819	375,275	819	165,220	611
\$10,000,000 under \$25,000,000	110	75,861	121	479,702	121	354,989	85
\$25,000,000 under \$50,000,000	45	39,081	53	578,689	53	427,901	38
\$50,000,000 under \$100,000,000	39	149,280	42	461,526	42	334,452	30
\$100,000,000 or more	36	598,964	40	1,001,103	40	218,914	27

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 1. Domestic Private Foundations: Number and Selected Financial Data, by Type of Foundation and Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands dollars]

Type of foundation, asset size	Excise tax on net investment income—continued	Total assets (book value) [2]		Total investment assets (book value) [2]		Investments in securities (book value)	
		Amount	Number of returns	Amount	Number of returns	Amount	Total
	(21)						(22)
All foundations							
Total	289,068	88,930	531,375,140	76,679	484,621,301	57,185	298,491,835
Zero or unreported	* 182	0	0	0	0	0	0
\$1 under \$100,000	903	24,562	941,290	15,267	751,373	7,082	421,822
\$100,000 under \$1,000,000	10,123	36,050	16,512,989	33,569	14,623,778	25,877	10,097,369
\$1,000,000 under \$10,000,000	49,230	22,687	75,781,842	22,266	69,388,181	19,213	48,499,324
\$10,000,000 under \$25,000,000	31,624	3,136	49,891,476	3,100	45,691,613	2,757	30,237,640
\$25,000,000 under \$50,000,000	26,546	1,177	41,617,366	1,167	37,946,039	1,050	24,174,116
\$50,000,000 under \$100,000,000	26,633	695	48,044,491	691	43,798,854	625	28,188,462
\$100,000,000 or more	143,827	622	298,585,686	619	272,421,463	581	156,873,101
Nonoperating foundations							
Total	275,841	81,306	486,840,373	71,242	454,838,520	54,431	284,161,191
Zero or unreported	* 131	0	0	0	0	0	0
\$1 under \$100,000	880	20,924	837,151	13,044	692,337	6,173	385,861
\$100,000 under \$1,000,000	9,857	34,139	15,707,128	32,272	14,133,438	25,244	9,857,818
\$1,000,000 under \$10,000,000	47,442	21,104	70,878,941	20,815	66,513,544	18,338	47,137,724
\$10,000,000 under \$25,000,000	29,951	2,867	45,997,383	2,850	43,402,693	2,586	29,052,757
\$25,000,000 under \$50,000,000	25,708	1,073	38,346,687	1,068	36,055,671	980	23,245,978
\$50,000,000 under \$100,000,000	24,338	635	44,266,701	631	41,029,702	577	26,896,083
\$100,000,000 or more	137,534	564	270,806,382	562	253,011,135	533	147,584,969
Operating foundations							
Total	13,227	7,624	44,534,767	5,437	29,782,781	2,754	14,330,644
Zero or unreported	* 51	0	0	0	0	0	0
\$1 under \$100,000	* 23	3,638	104,138	2,223	59,035	* 909	* 35,961
\$100,000 under \$1,000,000	266	1,912	805,861	1,298	490,341	633	239,551
\$1,000,000 under \$10,000,000	1,788	1,583	4,902,901	1,451	2,874,636	875	1,361,600
\$10,000,000 under \$25,000,000	1,673	269	3,894,093	250	2,288,921	171	1,184,883
\$25,000,000 under \$50,000,000	838	104	3,270,679	99	1,890,368	70	928,138
\$50,000,000 under \$100,000,000	2,295	60	3,777,791	60	2,769,152	48	1,292,379
\$100,000,000 or more	6,294	58	27,779,304	57	19,410,328	48	9,288,132
Grantmaking foundations							
Total	283,535	75,152	509,444,556	68,787	473,834,011	53,653	293,172,121
Zero or unreported	* 182	0	0	0	0	0	0
\$1 under \$100,000	863	16,175	752,600	11,831	636,282	6,172	368,666
\$100,000 under \$1,000,000	9,594	32,595	15,214,889	30,781	13,749,992	24,261	9,582,400
\$1,000,000 under \$10,000,000	46,913	21,086	71,098,968	20,903	66,706,185	18,403	47,040,743
\$10,000,000 under \$25,000,000	30,645	2,930	46,989,704	2,914	44,016,156	2,637	29,331,705
\$25,000,000 under \$50,000,000	25,945	1,104	39,257,352	1,098	36,587,884	1,009	23,595,123
\$50,000,000 under \$100,000,000	26,029	666	46,300,369	664	42,752,470	606	27,659,329
\$100,000,000 or more	143,364	597	289,830,674	596	269,385,042	565	155,594,154

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 1. Domestic Private Foundations: Number and Selected Financial Data, by Type of Foundation and Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands dollars]

Type of foundation, asset size	Excise tax on net investment income—continued	Total assets (book value) [2]		Total investment assets (book value) [2]		Investments in securities (book value)	
		Total		Total		Total	
	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(21)	(22)	(23)	(24)	(25)	(26)	(27)
Grantmaking-nonoperating foundations							
Total	272,908	71,017	475,685,445	65,539	450,552,460	51,998	282,180,436
Zero or unreported	* 131	0	0	0	0	0	0
\$1 under \$100,000	845	14,154	686,461	10,315	594,803	5,566	342,034
\$100,000 under \$1,000,000	9,417	31,555	14,735,251	30,096	13,417,501	23,876	9,403,310
\$1,000,000 under \$10,000,000	45,808	20,266	68,708,415	20,104	65,201,602	17,927	46,384,175
\$10,000,000 under \$25,000,000	29,550	2,809	45,208,479	2,797	42,842,480	2,554	28,731,647
\$25,000,000 under \$50,000,000	25,433	1,051	37,592,697	1,048	35,544,027	970	23,016,328
\$50,000,000 under \$100,000,000	24,297	624	43,500,303	622	40,581,884	573	26,742,181
\$100,000,000 or more	137,428	557	265,253,839	557	252,370,163	532	147,560,761
Grantmaking-operating foundations							
Total	10,627	4,135	33,759,111	3,248	23,281,551	1,655	10,991,685
Zero or unreported	* 51	0	0	0	0	0	0
\$1 under \$100,000	* 18	2,021	66,139	1,515	41,479	* 606	* 26,632
\$100,000 under \$1,000,000	176	1,040	479,638	685	332,491	* 385	* 179,090
\$1,000,000 under \$10,000,000	1,106	819	2,390,553	799	1,504,583	476	656,568
\$10,000,000 under \$25,000,000	1,095	121	1,781,225	117	1,173,676	83	600,058
\$25,000,000 under \$50,000,000	512	53	1,664,655	50	1,043,857	39	578,795
\$50,000,000 under \$100,000,000	1,733	42	2,800,066	42	2,170,586	33	917,148
\$100,000,000 or more	5,936	40	24,576,834	39	17,014,879	33	8,033,393

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 1. Domestic Private Foundations: Number and Selected Financial Data, by Type of Foundation and Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands dollars]

Type of foundation, asset size	Investments in securities (book value)—continued						Total assets (fair market value) [2]
	Government obligations		Corporate stock		Corporate bonds		Number of returns
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	
	(28)	(29)	(30)	(31)	(32)	(33)	(34)
All foundations							
Total	15,288	32,929,040	54,119	226,517,860	25,499	39,044,935	88,930
Zero or unreported	0	0	0	0	0	0	0
\$1 under \$100,000	* 809	* 16,131	6,274	370,164	1,723	35,528	24,562
\$100,000 under \$1,000,000	5,976	658,251	24,524	7,940,463	10,715	1,498,656	36,050
\$1,000,000 under \$10,000,000	6,190	3,553,786	18,479	38,078,241	10,004	6,867,297	22,687
\$10,000,000 under \$25,000,000	1,244	2,991,854	2,648	22,338,718	1,657	4,907,069	3,136
\$25,000,000 under \$50,000,000	483	2,520,959	1,018	18,198,984	630	3,454,173	1,177
\$50,000,000 under \$100,000,000	304	3,159,340	611	20,923,408	392	4,105,714	695
\$100,000,000 or more	282	20,028,720	565	118,667,882	378	18,176,499	622
Nonoperating foundations							
Total	14,463	31,590,788	51,881	215,222,950	24,543	37,347,453	81,306
Zero or unreported	0	0	0	0	0	0	0
\$1 under \$100,000	* 506	* 8,070	5,668	346,242	1,520	31,550	20,924
\$100,000 under \$1,000,000	5,876	639,198	23,992	7,738,033	10,568	1,480,587	34,139
\$1,000,000 under \$10,000,000	5,911	3,426,880	17,695	36,972,118	9,603	6,738,727	21,104
\$10,000,000 under \$25,000,000	1,167	2,826,239	2,489	21,526,826	1,553	4,699,692	2,867
\$25,000,000 under \$50,000,000	459	2,442,077	950	17,508,726	587	3,295,175	1,073
\$50,000,000 under \$100,000,000	283	2,994,658	567	20,006,806	364	3,894,619	635
\$100,000,000 or more	260	19,253,667	520	111,124,199	347	17,207,103	564
Operating foundations							
Total	826	1,338,252	2,239	11,294,910	956	1,697,482	7,624
Zero or unreported	0	0	0	0	0	0	0
\$1 under \$100,000	* 303	* 8,061	* 606	* 23,922	* 202	* 3,978	3,638
\$100,000 under \$1,000,000	* 100	* 19,053	532	202,430	* 148	* 18,069	1,912
\$1,000,000 under \$10,000,000	278	126,906	784	1,106,123	400	128,570	1,583
\$10,000,000 under \$25,000,000	77	165,615	159	811,891	104	207,377	269
\$25,000,000 under \$50,000,000	24	78,882	68	690,258	43	158,998	104
\$50,000,000 under \$100,000,000	21	164,682	44	916,602	28	211,094	60
\$100,000,000 or more	22	775,052	45	7,543,684	31	969,396	58
Grantmaking foundations							
Total	14,585	32,289,491	50,799	222,504,145	24,284	38,378,484	75,152
Zero or unreported	0	0	0	0	0	0	0
\$1 under \$100,000	* 708	* 11,469	5,465	326,038	1,519	31,159	16,175
\$100,000 under \$1,000,000	5,675	612,198	22,956	7,515,440	10,209	1,454,761	32,595
\$1,000,000 under \$10,000,000	5,967	3,446,888	17,719	36,868,786	9,614	6,725,069	21,086
\$10,000,000 under \$25,000,000	1,186	2,849,058	2,535	21,721,701	1,583	4,760,946	2,930
\$25,000,000 under \$50,000,000	470	2,448,858	979	17,756,622	609	3,389,643	1,104
\$50,000,000 under \$100,000,000	298	3,107,808	593	20,528,722	383	4,022,799	666
\$100,000,000 or more	280	19,813,211	552	117,786,836	367	17,994,106	597

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 1. Domestic Private Foundations: Number and Selected Financial Data, by Type of Foundation and Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands dollars]

Type of foundation, asset size	Investments in securities (book value)—continued						Total assets (fair market value) [2]
	Government obligations		Corporate stock		Corporate bonds		Number of returns
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	
	(28)	(29)	(30)	(31)	(32)	(33)	(34)
Grantmaking-nonoperating foundations							
Total	14,095	31,407,755	49,451	213,658,628	23,697	37,114,052	71,017
Zero or unreported	0	0	0	0	0	0	0
\$1 under \$100,000	* 506	* 8,070	5,061	306,784	1,317	27,180	14,154
\$100,000 under \$1,000,000	5,623	600,040	22,624	7,362,327	10,161	1,440,943	31,555
\$1,000,000 under \$10,000,000	5,815	3,370,738	17,284	36,370,756	9,391	6,642,681	20,266
\$10,000,000 under \$25,000,000	1,152	2,779,297	2,459	21,303,682	1,536	4,648,668	2,809
\$25,000,000 under \$50,000,000	457	2,408,497	940	17,328,386	583	3,279,445	1,051
\$50,000,000 under \$100,000,000	282	2,987,446	563	19,862,495	363	3,892,240	624
\$100,000,000 or more	260	19,253,667	520	111,124,199	346	17,182,895	557
Grantmaking-operating foundations							
Total	490	881,736	1,348	8,845,517	587	1,264,432	4,135
Zero or unreported	0	0	0	0	0	0	0
\$1 under \$100,000	* 202	* 3,400	* 404	* 19,254	* 202	* 3,978	2,021
\$100,000 under \$1,000,000	* 53	* 12,158	* 332	* 153,113	* 47	* 13,818	1,040
\$1,000,000 under \$10,000,000	152	76,150	435	498,030	223	82,388	819
\$10,000,000 under \$25,000,000	34	69,761	76	418,019	47	112,277	121
\$25,000,000 under \$50,000,000	13	40,361	39	428,236	26	110,198	53
\$50,000,000 under \$100,000,000	16	120,362	30	666,226	20	130,560	42
\$100,000,000 or more	20	559,544	32	6,662,638	21	811,212	40

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 1. Domestic Private Foundations: Number and Selected Financial Data, by Type of Foundation and Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands dollars]

Type of foundation, asset size	Total assets (fair market value) [2]— continued	Total investment assets (fair market value) [2]		Investments in securities (fair market value)			
		Number of returns	Amount	Total		Government obligations	
	Amount			Number of returns	Number of returns	Amount	Number of returns
	(35)	(36)	(37)	(38)	(39)	(40)	(41)
All foundations							
Total	526,532,583	76,679	479,314,866	57,185	287,607,221	15,288	33,394,642
Zero or unreported	0	0	0	0	0	0	0
\$1 under \$100,000	704,560	15,267	516,753	7,082	255,141	* 809	* 16,362
\$100,000 under \$1,000,000	14,974,466	33,569	13,076,013	25,877	8,766,393	5,976	667,676
\$1,000,000 under \$10,000,000	70,428,450	22,266	63,753,940	19,213	43,544,177	6,190	3,645,641
\$10,000,000 under \$25,000,000	48,573,013	3,100	44,066,098	2,757	28,670,923	1,244	3,068,670
\$25,000,000 under \$50,000,000	41,078,339	1,167	37,181,002	1,050	23,248,103	483	2,612,928
\$50,000,000 under \$100,000,000	47,604,925	691	43,169,106	625	27,089,031	304	3,246,529
\$100,000,000 or more	303,168,829	619	277,551,955	581	156,033,453	282	20,136,835
Nonoperating foundations							
Total	476,209,377	71,242	445,153,926	54,431	274,387,331	14,463	32,074,141
Zero or unreported	0	0	0	0	0	0	0
\$1 under \$100,000	606,464	13,044	464,020	6,173	224,952	* 506	* 8,287
\$100,000 under \$1,000,000	14,141,871	32,272	12,605,412	25,244	8,554,033	5,876	648,623
\$1,000,000 under \$10,000,000	65,469,995	20,815	60,956,708	18,338	42,342,070	5,911	3,516,217
\$10,000,000 under \$25,000,000	44,405,196	2,850	41,659,665	2,586	27,489,395	1,167	2,900,621
\$25,000,000 under \$50,000,000	37,462,345	1,068	35,169,064	980	22,315,629	459	2,534,927
\$50,000,000 under \$100,000,000	43,586,756	631	40,266,121	577	25,792,374	283	3,080,749
\$100,000,000 or more	270,536,749	562	254,032,936	533	147,668,877	260	19,384,716
Operating foundations							
Total	50,323,206	5,437	34,160,940	2,754	13,219,890	826	1,320,501
Zero or unreported	0	0	0	0	0	0	0
\$1 under \$100,000	98,096	2,223	52,733	* 909	* 30,188	* 303	* 8,076
\$100,000 under \$1,000,000	832,595	1,298	470,602	633	212,359	* 100	* 19,053
\$1,000,000 under \$10,000,000	4,958,455	1,451	2,797,232	875	1,202,107	278	129,424
\$10,000,000 under \$25,000,000	4,167,817	250	2,406,432	171	1,181,528	77	168,048
\$25,000,000 under \$50,000,000	3,615,994	99	2,011,937	70	932,474	24	78,001
\$50,000,000 under \$100,000,000	4,018,169	60	2,902,985	48	1,296,657	21	165,780
\$100,000,000 or more	32,632,080	57	23,519,018	48	8,364,576	22	752,119
Grantmaking foundations							
Total	502,289,635	68,787	466,718,114	53,653	282,581,289	14,585	32,786,282
Zero or unreported	0	0	0	0	0	0	0
\$1 under \$100,000	542,900	11,831	428,751	6,172	227,649	* 708	* 11,701
\$100,000 under \$1,000,000	13,702,494	30,781	12,208,011	24,261	8,287,274	5,675	623,398
\$1,000,000 under \$10,000,000	65,699,177	20,903	61,178,412	18,403	42,240,709	5,967	3,537,800
\$10,000,000 under \$25,000,000	45,450,002	2,914	42,305,769	2,637	27,786,511	1,186	2,925,548
\$25,000,000 under \$50,000,000	38,569,742	1,098	35,822,051	1,009	22,687,424	470	2,539,828
\$50,000,000 under \$100,000,000	45,734,207	664	42,027,916	606	26,547,760	298	3,195,196
\$100,000,000 or more	292,591,111	596	272,747,204	565	154,803,961	280	19,952,811

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 1. Domestic Private Foundations: Number and Selected Financial Data, by Type of Foundation and Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands dollars]

Type of foundation, asset size	Total assets (fair market value) [2]— continued	Total investment assets (fair market value) [2]		Investments in securities (fair market value)			
				Total		Government obligations	
	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(35)	(36)	(37)	(38)	(39)	(40)	(41)
Grantmaking-nonoperating foundations							
Total	465,157,234	65,539	441,043,360	51,998	272,587,742	14,095	31,891,470
Zero or unreported	0	0	0	0	0	0	0
\$1 under \$100,000	480,431	10,315	390,978	5,566	204,194	* 506	* 8,287
\$100,000 under \$1,000,000	13,206,150	30,096	11,901,114	23,876	8,131,994	5,623	611,240
\$1,000,000 under \$10,000,000	63,304,335	20,104	59,696,311	17,927	41,644,717	5,815	3,459,860
\$10,000,000 under \$25,000,000	43,589,175	2,797	41,122,737	2,554	27,205,033	1,152	2,854,277
\$25,000,000 under \$50,000,000	36,767,402	1,048	34,716,777	970	22,107,478	457	2,499,676
\$50,000,000 under \$100,000,000	42,825,534	622	39,823,478	573	25,649,658	282	3,073,415
\$100,000,000 or more	264,984,206	557	253,391,964	532	147,644,669	260	19,384,716
Grantmaking-operating foundations							
Total	37,132,401	3,248	25,674,755	1,655	9,993,547	490	894,812
Zero or unreported	0	0	0	0	0	0	0
\$1 under \$100,000	62,469	1,515	37,773	* 606	* 23,456	* 202	* 3,414
\$100,000 under \$1,000,000	496,344	685	306,897	* 385	* 155,280	* 53	* 12,158
\$1,000,000 under \$10,000,000	2,394,842	799	1,482,101	476	595,992	152	77,941
\$10,000,000 under \$25,000,000	1,860,827	117	1,183,032	83	581,477	34	71,271
\$25,000,000 under \$50,000,000	1,802,341	50	1,105,274	39	579,946	13	40,152
\$50,000,000 under \$100,000,000	2,908,673	42	2,204,438	33	898,102	16	121,782
\$100,000,000 or more	27,606,905	39	19,355,240	33	7,159,293	20	568,094

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 1. Domestic Private Foundations: Number and Selected Financial Data, by Type of Foundation and Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands dollars]

Type of foundation, asset size	Investments in securities (fair market value)—continued				Net worth (book value)		Non-charitable- use assets
	Corporate stock		Corporate bonds		Number of returns	Amount	
	Number of returns	Amount	Number of returns	Amount			Number of returns
	(42)	(43)	(44)	(45)	(46)	(47)	(48)
All foundations							
Total	54,119	216,642,271	25,499	37,570,308	89,026	503,231,077	89,153
Zero or unreported	0	0	0	0	* 202	* -337	* 707
\$1 under \$100,000	6,274	204,947	1,723	33,831	24,562	711,875	24,158
\$100,000 under \$1,000,000	24,524	6,740,824	10,715	1,357,893	35,949	16,236,029	35,998
\$1,000,000 under \$10,000,000	18,479	33,472,056	10,004	6,426,480	22,686	74,109,731	22,667
\$10,000,000 under \$25,000,000	2,648	20,917,352	1,657	4,684,900	3,132	48,592,758	3,134
\$25,000,000 under \$50,000,000	1,018	17,311,916	630	3,323,259	1,177	40,386,679	1,175
\$50,000,000 under \$100,000,000	611	19,860,209	392	3,982,293	695	46,291,198	693
\$100,000,000 or more	565	118,134,966	378	17,761,652	622	276,903,143	621
Nonoperating foundations							
Total	51,881	206,377,441	24,543	35,935,749	81,402	463,229,810	81,644
Zero or unreported	0	0	0	0	* 202	* -337	* 707
\$1 under \$100,000	5,668	186,783	1,520	29,883	20,924	619,834	20,621
\$100,000 under \$1,000,000	23,992	6,562,875	10,568	1,342,536	34,038	15,464,965	34,086
\$1,000,000 under \$10,000,000	17,695	32,524,487	9,603	6,301,366	21,103	69,785,112	21,094
\$10,000,000 under \$25,000,000	2,489	20,103,504	1,553	4,485,269	2,863	45,072,656	2,866
\$25,000,000 under \$50,000,000	950	16,612,990	587	3,167,712	1,073	37,511,952	1,073
\$50,000,000 under \$100,000,000	567	18,935,388	364	3,776,237	635	42,769,874	633
\$100,000,000 or more	520	111,451,414	347	16,832,747	564	252,005,755	563
Operating foundations							
Total	2,239	10,264,830	956	1,634,559	7,624	40,001,267	7,510
Zero or unreported	0	0	0	0	0	0	0
\$1 under \$100,000	* 606	* 18,164	* 202	* 3,949	3,638	92,041	3,537
\$100,000 under \$1,000,000	532	177,949	* 148	* 15,357	1,912	771,065	1,912
\$1,000,000 under \$10,000,000	784	947,569	400	125,113	1,583	4,324,619	1,573
\$10,000,000 under \$25,000,000	159	813,849	104	199,631	269	3,520,102	268
\$25,000,000 under \$50,000,000	68	698,926	43	155,547	104	2,874,727	102
\$50,000,000 under \$100,000,000	44	924,821	28	206,056	60	3,521,324	60
\$100,000,000 or more	45	6,683,553	31	928,905	58	24,897,388	58
Grantmaking foundations							
Total	50,799	212,876,319	24,284	36,918,687	75,248	483,808,014	75,653
Zero or unreported	0	0	0	0	* 202	* -337	* 707
\$1 under \$100,000	5,465	186,407	1,519	29,541	16,175	555,004	15,973
\$100,000 under \$1,000,000	22,956	6,348,432	10,209	1,315,445	32,494	15,014,301	32,595
\$1,000,000 under \$10,000,000	17,719	32,415,648	9,614	6,287,261	21,085	69,915,716	21,086
\$10,000,000 under \$25,000,000	2,535	20,316,367	1,583	4,544,596	2,926	46,097,684	2,928
\$25,000,000 under \$50,000,000	979	16,887,531	609	3,260,065	1,104	38,452,992	1,102
\$50,000,000 under \$100,000,000	593	19,448,716	383	3,903,848	666	44,778,220	665
\$100,000,000 or more	552	117,273,218	367	17,577,933	597	268,994,434	597

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 1. Domestic Private Foundations: Number and Selected Financial Data, by Type of Foundation and Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands dollars]

Type of foundation, asset size	Investments in securities (fair market value)—continued				Net worth (book value)		Non-charitable- use assets
	Corporate stock		Corporate bonds		Number of returns	Amount	
	Number of returns	Amount	Number of returns	Amount			Number of returns
	(42)	(43)	(44)	(45)	(46)	(47)	(48)
Grantmaking-nonoperating foundations							
Total	49,451	204,985,188	23,697	35,711,083	71,113	453,130,832	71,621
Zero or unreported	0	0	0	0	* 202	* -337	* 707
\$1 under \$100,000	5,061	170,315	1,317	25,592	14,154	492,430	14,053
\$100,000 under \$1,000,000	22,624	6,216,615	10,161	1,304,139	31,454	14,551,097	31,555
\$1,000,000 under \$10,000,000	17,284	31,977,036	9,391	6,207,821	20,265	67,794,894	20,266
\$10,000,000 under \$25,000,000	2,459	19,912,419	1,536	4,438,337	2,805	44,409,447	2,808
\$25,000,000 under \$50,000,000	940	16,455,216	583	3,152,586	1,051	36,907,943	1,051
\$50,000,000 under \$100,000,000	563	18,802,174	363	3,774,069	624	42,120,086	623
\$100,000,000 or more	520	111,451,414	346	16,808,538	557	246,855,271	557
Grantmaking-operating foundations							
Total	1,348	7,891,131	587	1,207,604	4,135	30,677,182	4,031
Zero or unreported	0	0	0	0	0	0	0
\$1 under \$100,000	* 404	* 16,092	* 202	* 3,949	2,021	62,574	1,920
\$100,000 under \$1,000,000	* 332	* 131,817	* 47	* 11,305	1,040	463,203	1,040
\$1,000,000 under \$10,000,000	435	438,612	223	79,440	819	2,120,822	819
\$10,000,000 under \$25,000,000	76	403,948	47	106,259	121	1,688,237	120
\$25,000,000 under \$50,000,000	39	432,316	26	107,478	53	1,545,049	51
\$50,000,000 under \$100,000,000	30	646,542	20	129,779	42	2,658,133	42
\$100,000,000 or more	32	5,821,804	21	769,394	40	22,139,163	40

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 1. Domestic Private Foundations: Number and Selected Financial Data, by Type of Foundation and Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands dollars]

Type of foundation, asset size	Non-charitable use assets—continued	Minimum investment return		Distributable amount		Qualifying distributions	
	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(49)	(50)	(51)	(52)	(53)	(54)	(55)
All foundations							
Total	544,692,513	88,471	27,145,968	80,743	25,651,219	83,134	51,495,968
Zero or unreported	* 771,202	* 707	* 38,560	* 707	* 38,429	1,616	282,407
\$1 under \$100,000	798,702	23,552	39,853	19,813	35,859	19,309	1,052,330
\$100,000 under \$1,000,000	16,116,881	35,950	804,003	34,086	764,533	34,471	3,580,871
\$1,000,000 under \$10,000,000	75,039,585	22,642	3,738,136	21,013	3,566,529	22,164	8,127,518
\$10,000,000 under \$25,000,000	50,527,301	3,133	2,519,530	2,860	2,385,994	3,102	5,572,394
\$25,000,000 under \$50,000,000	42,446,380	1,175	2,114,326	1,070	2,021,979	1,166	4,302,170
\$50,000,000 under \$100,000,000	49,521,941	692	2,464,405	631	2,312,784	690	5,218,758
\$100,000,000 or more	309,470,520	620	15,427,155	563	14,525,112	616	23,359,520
Nonoperating foundations							
Total	516,812,626	81,122	25,754,616	80,743	25,651,219	76,106	46,003,768
Zero or unreported	* 771,202	* 707	* 38,560	* 707	* 38,429	1,414	276,258
\$1 under \$100,000	727,805	20,116	36,308	19,813	35,859	16,277	905,520
\$100,000 under \$1,000,000	15,477,372	34,086	772,028	34,086	764,533	32,665	2,901,295
\$1,000,000 under \$10,000,000	72,200,776	21,079	3,597,901	21,013	3,566,529	20,652	7,327,240
\$10,000,000 under \$25,000,000	48,249,790	2,866	2,406,218	2,860	2,385,994	2,844	4,627,088
\$25,000,000 under \$50,000,000	40,632,753	1,073	2,024,017	1,070	2,021,979	1,066	3,563,495
\$50,000,000 under \$100,000,000	46,707,728	632	2,323,695	631	2,312,784	630	4,537,955
\$100,000,000 or more	292,045,200	563	14,555,889	563	14,525,112	558	21,864,917
Operating foundations							
Total	27,879,886	7,349	1,391,352	N/A	N/A	7,028	5,492,201
Zero or unreported	0	0	0	N/A	N/A	* 202	* 6,149
\$1 under \$100,000	70,897	3,436	3,545	N/A	N/A	3,032	146,810
\$100,000 under \$1,000,000	639,509	1,864	31,975	N/A	N/A	1,806	679,576
\$1,000,000 under \$10,000,000	2,838,809	1,563	140,234	N/A	N/A	1,512	800,278
\$10,000,000 under \$25,000,000	2,277,511	267	113,312	N/A	N/A	258	945,306
\$25,000,000 under \$50,000,000	1,813,627	102	90,309	N/A	N/A	100	738,675
\$50,000,000 under \$100,000,000	2,814,213	60	140,711	N/A	N/A	60	680,803
\$100,000,000 or more	17,425,320	57	871,266	N/A	N/A	58	1,494,603
Grantmaking foundations							
Total	534,061,468	75,402	26,643,283	71,157	25,473,042	76,668	49,431,520
Zero or unreported	* 771,202	* 707	* 38,560	* 707	* 38,429	1,515	282,353
\$1 under \$100,000	672,365	15,771	33,537	13,649	30,026	16,175	965,746
\$100,000 under \$1,000,000	15,116,679	32,548	754,969	31,555	724,555	32,595	3,038,750
\$1,000,000 under \$10,000,000	72,290,514	21,086	3,608,060	20,216	3,491,513	21,086	7,745,791
\$10,000,000 under \$25,000,000	48,923,016	2,928	2,442,951	2,802	2,363,421	2,930	5,129,240
\$25,000,000 under \$50,000,000	41,348,280	1,102	2,061,630	1,049	2,007,427	1,104	4,148,250
\$50,000,000 under \$100,000,000	48,323,878	665	2,414,624	622	2,301,911	666	4,989,122
\$100,000,000 or more	306,615,534	596	15,288,953	557	14,515,760	597	23,132,269

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 1. Domestic Private Foundations: Number and Selected Financial Data, by Type of Foundation and Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands dollars]

Type of foundation, asset size	Non-charitable use assets—continued	Minimum investment return		Distributable amount		Qualifying distributions	
	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(49)	(50)	(51)	(52)	(53)	(54)	(55)
Grantmaking-nonoperating foundations							
Total	512,812,524	71,419	25,580,945	71,157	25,473,042	72,330	45,708,775
Zero or unreported	* 771,202	* 707	* 38,560	* 707	* 38,429	1,313	276,204
\$1 under \$100,000	617,915	13,851	30,814	13,649	30,026	14,154	858,825
\$100,000 under \$1,000,000	14,681,106	31,555	733,191	31,555	724,555	31,555	2,855,750
\$1,000,000 under \$10,000,000	70,639,727	20,266	3,525,630	20,216	3,491,513	20,266	7,286,927
\$10,000,000 under \$25,000,000	47,751,079	2,808	2,384,354	2,802	2,363,421	2,809	4,589,236
\$25,000,000 under \$50,000,000	40,299,398	1,051	2,009,186	1,049	2,007,427	1,051	3,532,505
\$50,000,000 under \$100,000,000	46,287,013	623	2,312,780	622	2,301,911	624	4,489,085
\$100,000,000 or more	291,765,085	557	14,546,431	557	14,515,760	557	21,820,242
Grantmaking-operating foundations							
Total	21,248,944	3,983	1,062,338	N/A	N/A	4,338	3,722,745
Zero or unreported	0	0	0	N/A	N/A	* 202	* 6,149
\$1 under \$100,000	54,450	1,920	2,723	N/A	N/A	2,021	106,921
\$100,000 under \$1,000,000	435,573	992	21,778	N/A	N/A	1,040	182,999
\$1,000,000 under \$10,000,000	1,650,788	819	82,430	N/A	N/A	819	458,863
\$10,000,000 under \$25,000,000	1,171,937	120	58,597	N/A	N/A	121	540,004
\$25,000,000 under \$50,000,000	1,048,882	51	52,444	N/A	N/A	53	615,745
\$50,000,000 under \$100,000,000	2,036,865	42	101,843	N/A	N/A	42	500,037
\$100,000,000 or more	14,850,449	39	742,522	N/A	N/A	40	1,312,026

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 1. Domestic Private Foundations: Number and Selected Financial Data, by Type of Foundation and Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands dollars]

Type of foundation, asset size	Undistributed income for 2008		Excess distributions carryover to 2009	
	Number of returns	Amount	Number of returns	Amount
	(56)	(57)	(58)	(59)
All foundations				
Total	27,977	6,284,359	53,814	65,455,371
Zero or unreported	0	0	1,313	609,705
\$1 under \$100,000	5,461	9,118	14,958	3,160,664
\$100,000 under \$1,000,000	11,807	199,739	22,084	7,893,595
\$1,000,000 under \$10,000,000	8,608	1,078,308	12,430	16,692,389
\$10,000,000 under \$25,000,000	1,174	697,634	1,692	8,770,112
\$25,000,000 under \$50,000,000	422	570,996	646	5,567,931
\$50,000,000 under \$100,000,000	260	678,868	373	6,586,750
\$100,000,000 or more	246	3,049,696	317	16,174,226
Nonoperating foundations				
Total	27,977	6,284,359	53,814	65,455,371
Zero or unreported	0	0	1,313	609,705
\$1 under \$100,000	5,461	9,118	14,958	3,160,664
\$100,000 under \$1,000,000	11,807	199,739	22,084	7,893,595
\$1,000,000 under \$10,000,000	8,608	1,078,308	12,430	16,692,389
\$10,000,000 under \$25,000,000	1,174	697,634	1,692	8,770,112
\$25,000,000 under \$50,000,000	422	570,996	646	5,567,931
\$50,000,000 under \$100,000,000	260	678,868	373	6,586,750
\$100,000,000 or more	246	3,049,696	317	16,174,226
Operating foundations				
Total	N/A	N/A	N/A	N/A
Zero or unreported	N/A	N/A	N/A	N/A
\$1 under \$100,000	N/A	N/A	N/A	N/A
\$100,000 under \$1,000,000	N/A	N/A	N/A	N/A
\$1,000,000 under \$10,000,000	N/A	N/A	N/A	N/A
\$10,000,000 under \$25,000,000	N/A	N/A	N/A	N/A
\$25,000,000 under \$50,000,000	N/A	N/A	N/A	N/A
\$50,000,000 under \$100,000,000	N/A	N/A	N/A	N/A
\$100,000,000 or more	N/A	N/A	N/A	N/A
Grantmaking foundations				
Total	23,211	6,212,083	48,967	64,291,385
Zero or unreported	0	0	1,212	609,026
\$1 under \$100,000	2,631	6,411	11,624	2,835,624
\$100,000 under \$1,000,000	10,327	183,549	21,081	7,746,734
\$1,000,000 under \$10,000,000	8,197	1,047,186	12,070	16,529,376
\$10,000,000 under \$25,000,000	1,147	690,265	1,661	8,605,798
\$25,000,000 under \$50,000,000	414	566,268	634	5,426,797
\$50,000,000 under \$100,000,000	255	676,001	368	6,487,132
\$100,000,000 or more	241	3,042,403	316	16,050,898

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 1. Domestic Private Foundations: Number and Selected Financial Data, by Type of Foundation and Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands dollars]

Type of foundation, asset size	Undistributed income for 2008		Excess distributions carryover to 2009	
	Number of returns	Amount	Number of returns	Amount
	(56)	(57)	(58)	(59)
Grantmaking-nonoperating foundations				
Total	23,211	6,212,083	48,967	64,291,385
Zero or unreported	0	0	1,212	609,026
\$1 under \$100,000	2,631	6,411	11,624	2,835,624
\$100,000 under \$1,000,000	10,327	183,549	21,081	7,746,734
\$1,000,000 under \$10,000,000	8,197	1,047,186	12,070	16,529,376
\$10,000,000 under \$25,000,000	1,147	690,265	1,661	8,605,798
\$25,000,000 under \$50,000,000	414	566,268	634	5,426,797
\$50,000,000 under \$100,000,000	255	676,001	368	6,487,132
\$100,000,000 or more	241	3,042,403	316	16,050,898
Grantmaking-operating foundations				
Total	N/A	N/A	N/A	N/A
Zero or unreported	N/A	N/A	N/A	N/A
\$1 under \$100,000	N/A	N/A	N/A	N/A
\$100,000 under \$1,000,000	N/A	N/A	N/A	N/A
\$1,000,000 under \$10,000,000	N/A	N/A	N/A	N/A
\$10,000,000 under \$25,000,000	N/A	N/A	N/A	N/A
\$25,000,000 under \$50,000,000	N/A	N/A	N/A	N/A
\$50,000,000 under \$100,000,000	N/A	N/A	N/A	N/A
\$100,000,000 or more	N/A	N/A	N/A	N/A

N/A—Not applicable.

* Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] The data shown in columns 18 and 19 are based on the amount of contributions, gifts, and grants that foundations actually disbursed for charitable purposes for 2008 using the cash receipts and disbursements method of accounting. These amounts differ somewhat from those reported as contributions, gifts, and grants paid shown in the income statement of Table 2, because foundations may use either the cash receipts and disbursements or the accrual method of accounting.

[2] The Bill and Melinda Gates Foundation reported "other investments," valued at \$29.6 billion for both book and fair market. This amount represented the foundation's interest in the Bill and Melinda Gates Foundation Trust. These assets were also reported by the Bill and Melinda Gates Foundation Trust on its Form 990-PF. For statistical purposes, the data shown in columns 23, 25, 35, and 37 were reduced by \$29.6 billion to avoid overstating these joint assets. For additional information, see <http://www.gatesfoundation.org/annualreport/2008/Documents/2008-annual-report.pdf>.

NOTE: Detail may not add to totals because of rounding.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 2. Domestic Private Foundations: Income Statements and Balance Sheets, by Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008

[All figures are estimates based on a sample—money amounts are in thousands of dollars]

Item	Total	Asset size			
		Assets zero or unreported	\$1 under \$100,000	\$100,000 under \$1,000,000	\$1,000,000 under \$10,000,000
	(1)	(2)	(3)	(4)	(5)
Number of returns	90,850	1,920	24,562	36,050	22,687
Total revenue	49,673,467	1,710	908,518	3,173,339	7,329,320
Contributions, gifts, and grants received	43,786,766	85,227	782,019	3,114,489	6,659,378
Interest on savings and temporary cash investments	2,094,348	* 1,616	9,726	91,722	324,078
Dividends and interest from securities	11,186,281	* 16,272	16,419	415,330	1,955,207
Gross rents and royalties	636,963	0	* 5,110	17,352	91,958
Net gain (less loss) from sales of assets	-9,890,106	* -101,405	4,530	-675,060	-2,352,988
Gross profit (less loss) from business activities	82,386	0	* 940	* 10,804	-543
Other income	1,776,829	0	89,774	198,701	652,229
Total expenses	60,321,610	295,304	1,178,507	4,029,140	9,744,833
Contributions, gifts, and grants paid [1]	46,833,195	273,664	837,835	2,795,256	7,117,903
Compensation of officers	1,109,818	* 2,386	41,707	106,315	292,020
Other salaries and wages	2,334,214	0	* 46,245	133,889	637,741
Pension plans and employee benefits	722,429	0	* 4,496	26,134	102,185
Legal fees	222,177	* 1,053	6,483	19,414	72,340
Accounting fees	290,461	* 2,095	20,187	66,243	87,379
Other professional fees	2,797,080	* 71	83,127	126,997	393,362
Interest	304,950	0	* 555	6,274	26,815
Taxes	816,203	* 2,123	4,517	47,136	208,078
Depreciation and depletion	491,481	* 152	8,914	11,561	74,510
Occupancy	613,870	* 382	22,289	39,165	168,827
Travel, conferences, and meetings	374,898	* 416	31,081	45,952	56,850
Printing and publications	89,799	* 3,999	3,167	5,939	12,461
Other expenses	3,321,033	8,964	67,903	598,864	494,363
Excess of revenue (less loss) over expenses	-10,648,145	-293,594	-269,991	-855,801	-2,415,514
Excess of revenue	29,739,805	0	81,756	917,983	4,257,325
Loss	-40,387,950	-293,594	-351,746	-1,773,784	-6,672,839
Total assets (fair market value) [2]	526,532,583	0	704,560	14,974,466	70,428,450
Cash (non-interest bearing accounts)	8,208,511	0	120,123	1,086,121	2,450,823
Savings and temporary cash investments [3]	48,336,609	0	203,360	2,798,393	10,266,359
Accounts receivable, net	1,253,031	0	* 8,987	70,778	201,410
Pledges receivable, net	1,031,839	0	0	* 21,438	172,115
Grants receivable	772,038	0	0	127,025	90,252
Receivables due from disqualified persons	59,736	0	* 2,140	* 2,092	38,244
Other notes and loans receivable	3,400,615	0	* 9,732	123,310	708,483
Inventories	420,128	0	* 736	* 12,460	187,895
Prepaid expenses and deferred charges	346,125	0	* 285	3,521	34,360
Investments, total (non-cash) [2]	430,978,258	0	313,393	10,277,620	53,487,581
Securities, total	287,607,221	0	255,141	8,766,393	43,544,177
Government obligations	33,394,642	0	* 16,362	667,676	3,645,641
Corporate stock	216,642,271	0	204,947	6,740,824	33,472,056
Corporate bonds	37,570,308	0	33,831	1,357,893	6,426,480
Land, buildings, and equipment (less accumulated depreciation)	10,680,753	0	* 675	182,485	1,472,720
Mortgage loans	916,495	0	0	* 51,619	270,553
Other investments [2]	131,773,789	0	57,577	1,277,123	8,200,131
Charitable-purpose land, buildings, and equipment (less accumulated depreciation)	14,602,068	0	39,517	283,479	2,175,691
Other assets	17,123,624	0	6,286	168,228	615,237
Total assets (book value) [2]	531,375,140	0	941,290	16,512,989	75,781,842
Cash (non-interest bearing accounts)	8,267,456	0	118,074	1,086,561	2,500,791
Savings and temporary cash investments [3]	48,407,340	0	221,330	2,803,912	10,292,491
Accounts receivable, net	1,252,777	0	* 8,987	70,743	201,406
Pledges receivable, net	1,037,044	0	0	* 21,438	172,115
Grants receivable	786,571	0	0	140,903	89,992
Receivables due from disqualified persons	59,736	0	* 2,140	* 2,092	38,244

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 2. Domestic Private Foundations: Income Statements and Balance Sheets, by Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands of dollars]

Item	Total	Asset size			
		Assets zero or unreported	\$1 under \$100,000	\$100,000 under \$1,000,000	\$1,000,000 under \$10,000,000
	(1)	(2)	(3)	(4)	(5)
Other notes and loans receivable	3,476,079	0	* 9,732	136,052	708,122
Inventories	410,155	0	* 736	* 12,460	186,626
Prepaid expenses and deferred charges	353,952	0	* 285	3,544	40,095
Investments, total (non-cash) [2]	436,213,961	0	530,042	11,819,867	59,095,690
Securities, total	298,491,835	0	421,822	10,097,369	48,499,324
Government obligations	32,929,040	0	* 16,131	658,251	3,553,786
Corporate stock	226,517,860	0	370,164	7,940,463	38,078,241
Corporate bonds	39,044,935	0	35,528	1,498,656	6,867,297
Land, buildings, and equipment (less accumulated depreciation)	7,354,470	0	* 1,156	150,550	1,204,566
Mortgage loans	997,259	0	0	* 76,712	270,818
Other investments [2]	129,370,398	0	107,064	1,495,236	9,120,982
Charitable-purpose land, buildings, and equipment (less accumulated depreciation)	12,568,042	0	42,628	272,516	1,864,782
Other assets	18,542,027	0	7,334	142,902	591,487
Total liabilities (book value)	28,144,064	* 337	229,414	276,959	1,672,111
Net worth (book value) [2]	503,231,077	* -337	711,875	16,236,029	74,109,731
Total assets, beginning-of-year (book value) [2]	601,924,106	912,107	1,208,522	17,728,748	80,191,411
Cash (non-interest bearing accounts)	7,724,289	* 14,869	154,268	1,044,176	2,613,205
Savings and temporary cash investments [3]	47,696,577	* 94,710	299,842	3,009,847	9,399,330
Accounts receivable, net	1,853,314	0	* 7,837	132,760	216,323
Pledges receivable, net	1,408,371	0	0	* 13,307	198,362
Grants receivable	566,394	0	0	* 109,180	26,309
Receivables due from disqualified persons	87,650	* 52	* 1,689	* 4,791	* 43,344
Other notes and loans receivable	3,258,351	0	* 9,285	134,942	580,726
Inventories	369,010	0	* 673	* 28,509	187,613
Prepaid expenses and deferred charges	364,080	* 1,647	* 323	12,334	21,349
Investments, total (non-cash) [2]	510,712,108	* 800,830	677,801	12,916,039	64,371,699
Securities, total	362,871,325	* 632,753	553,486	10,963,174	52,880,943
Government obligations	35,402,228	* 102,686	* 28,865	748,796	4,979,140
Corporate stock	285,407,083	* 476,176	483,568	8,647,496	40,985,749
Corporate bonds	42,062,013	* 53,891	41,054	1,566,882	6,916,055
Land, buildings, and equipment (less accumulated depreciation)	6,955,063	* 168,077	* 715	96,365	1,079,334
Mortgage loans	1,059,705	0	0	* 8,466	278,709
Other investments [2]	139,826,015	0	123,599	1,848,034	10,132,713
Charitable-purpose land, buildings, and equipment (less accumulated depreciation)	12,055,898	0	41,619	266,538	1,819,920
Other assets	15,828,062	0	15,187	56,325	713,231
Total liabilities, beginning-of-year (book value)	28,384,140	* 4	202,688	300,719	1,709,574
Net worth, beginning-of-year (book value) [2]	573,436,456	912,103	1,005,833	17,428,029	78,378,327

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 2. Domestic Private Foundations: Income Statements and Balance Sheets, by Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands of dollars]

Item	Asset size—continued			
	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 or more
	(6)	(7)	(8)	(9)
Number of returns	3,136	1,177	695	622
Total revenue	4,844,067	4,610,424	4,570,631	24,235,459
Contributions, gifts, and grants received	4,239,026	4,247,933	4,249,049	20,409,645
Interest on savings and temporary cash investments	180,358	135,756	149,474	1,201,618
Dividends and interest from securities	1,264,821	1,004,967	1,141,574	5,371,690
Gross rents and royalties	69,824	49,299	57,794	345,626
Net gain (less loss) from sales of assets	-1,231,648	-990,865	-1,098,149	-3,444,521
Gross profit (less loss) from business activities	9,125	8,705	40,993	12,361
Other income	312,559	154,629	29,897	339,040
Total expenses	6,260,230	5,080,174	5,642,263	28,091,158
Contributions, gifts, and grants paid [1]	4,603,494	4,018,827	4,440,373	22,745,842
Compensation of officers	155,031	99,787	105,848	306,724
Other salaries and wages	241,072	176,430	147,195	951,642
Pension plans and employee benefits	53,418	51,694	49,703	434,800
Legal fees	26,514	17,790	17,539	61,045
Accounting fees	32,922	21,587	20,076	39,971
Other professional fees	256,996	185,823	220,223	1,530,481
Interest	29,868	31,609	23,746	186,084
Taxes	112,956	88,965	87,438	264,991
Depreciation and depletion	55,032	53,945	49,783	237,585
Occupancy	52,833	58,781	41,046	230,548
Travel, conferences, and meetings	22,912	32,956	21,664	163,065
Printing and publications	7,851	4,756	8,212	43,413
Other expenses	609,331	237,223	409,416	894,969
Excess of revenue (less loss) over expenses	-1,416,164	-469,750	-1,071,632	-3,855,699
Excess of revenue	2,721,754	3,346,909	2,830,315	15,583,763
Loss	-4,137,917	-3,816,660	-3,901,948	-19,439,462
Total assets (fair market value) [2]	48,573,013	41,078,339	47,604,925	303,168,829
Cash (non-interest bearing accounts)	1,050,099	838,289	852,250	1,810,805
Savings and temporary cash investments [3]	6,345,086	4,656,306	5,278,737	18,788,367
Accounts receivable, net	102,575	93,332	298,643	477,306
Pledges receivable, net	90,183	72,001	289,901	386,201
Grants receivable	90,033	33,687	299,137	131,904
Receivables due from disqualified persons	14,131	2,871	0	258
Other notes and loans receivable	421,032	396,381	303,296	1,438,381
Inventories	58,036	102,811	42,607	15,582
Prepaid expenses and deferred charges	21,989	25,831	39,250	220,890
Investments, total (non-cash) [2]	37,721,011	32,524,696	37,890,369	258,763,587
Securities, total	28,670,923	23,248,103	27,089,031	156,033,453
Government obligations	3,068,670	2,612,928	3,246,529	20,136,835
Corporate stock	20,917,352	17,311,916	19,860,209	118,134,966
Corporate bonds	4,684,900	3,323,259	3,982,293	17,761,652
Land, buildings, and equipment (less accumulated depreciation)	1,095,600	840,397	1,133,659	5,955,216
Mortgage loans	163,513	64,511	141,018	225,282
Other investments [2]	7,790,975	8,371,684	9,526,662	96,549,636
Charitable-purpose land, buildings, and equipment (less accumulated depreciation)	1,962,858	1,735,527	1,588,149	6,816,847
Other assets	695,980	596,608	722,586	14,318,701
Total assets (book value) [2]	49,891,476	41,617,366	48,044,491	298,585,686
Cash (non-interest bearing accounts)	1,050,292	849,270	852,250	1,810,217
Savings and temporary cash investments [3]	6,357,687	4,657,230	5,277,360	18,797,329
Accounts receivable, net	102,571	93,334	298,486	477,250
Pledges receivable, net	90,183	72,001	289,901	391,405
Grants receivable	94,080	33,558	297,122	130,918
Receivables due from disqualified persons	14,131	2,871	0	258

Footnotes at end of table.

Domestic Private Foundations and Excise Taxes, Tax Year 2008

Statistics of Income Bulletin | Winter 2012

Table 2. Domestic Private Foundations: Income Statements and Balance Sheets, by Size of End-of-Year Fair Market Value of Total Assets, Tax Year 2008—Continued

[All figures are estimates based on a sample—money amounts are in thousands of dollars]

Item	Asset size—continued			
	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 or more
	(6)	(7)	(8)	(9)
Other notes and loans receivable	423,503	399,888	303,916	1,494,867
Inventories	57,964	97,878	40,427	14,063
Prepaid expenses and deferred charges	24,803	25,884	38,690	220,651
Investments, total (non-cash) [2]	39,333,926	33,288,809	38,521,494	253,624,134
Securities, total	30,237,640	24,174,116	28,188,462	156,873,101
Government obligations	2,991,854	2,520,959	3,159,340	20,028,720
Corporate stock	22,338,718	18,198,984	20,923,408	118,667,882
Corporate bonds	4,907,069	3,454,173	4,105,714	18,176,499
Land, buildings, and equipment (less accumulated depreciation)	715,172	498,438	736,368	4,048,219
Mortgage loans	163,704	64,933	196,865	224,228
Other investments [2]	8,217,410	8,551,321	9,399,800	92,478,585
Charitable-purpose land, buildings, and equipment (less accumulated depreciation)	1,660,933	1,461,141	1,346,873	5,919,168
Other assets	681,403	635,503	777,973	15,705,425
Total liabilities (book value)	1,298,718	1,230,687	1,753,294	21,682,543
Net worth (book value) [2]	48,592,758	40,386,679	46,291,198	276,903,143
Total assets, beginning-of-year (book value) [2]	52,886,558	44,884,902	52,622,794	351,489,063
Cash (non-interest bearing accounts)	946,693	892,877	931,823	1,126,379
Savings and temporary cash investments [3]	5,833,837	4,578,997	4,439,344	20,040,671
Accounts receivable, net	118,363	130,350	190,897	1,056,785
Pledges receivable, net	72,429	85,941	183,072	855,259
Grants receivable	63,795	35,422	184,307	147,379
Receivables due from disqualified persons	22,524	398	[4]	14,853
Other notes and loans receivable	351,399	377,721	233,147	1,571,132
Inventories	37,002	94,524	5,759	14,932
Prepaid expenses and deferred charges	16,240	18,247	37,735	256,205
Investments, total (non-cash) [2]	43,275,658	36,721,376	44,627,118	307,321,587
Securities, total	33,993,466	27,282,907	33,187,806	203,376,788
Government obligations	3,579,081	2,763,876	3,638,958	19,560,826
Corporate stock	25,619,931	21,190,634	25,415,943	162,587,587
Corporate bonds	4,794,455	3,328,397	4,132,906	21,228,375
Land, buildings, and equipment (less accumulated depreciation)	718,939	468,757	666,135	3,756,741
Mortgage loans	168,963	68,283	197,842	337,443
Other investments [2]	8,394,290	8,901,429	10,575,334	99,850,615
Charitable-purpose land, buildings, and equipment (less accumulated depreciation)	1,546,471	1,332,479	1,190,612	5,858,260
Other assets	602,148	616,570	598,979	13,225,622
Total liabilities, beginning-of-year (book value)	1,223,936	1,491,403	1,616,038	21,839,778
Net worth, beginning-of-year (book value) [2]	51,662,623	43,393,499	51,006,756	329,649,285

* Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] The data in this row are based on the amount of contributions, gifts, and grants paid as reported on the income statement portion of the return and calculated using either the cash receipts and disbursements method of accounting or the accrual method of accounting. These amounts differ somewhat from the contributions, gifts, and grants paid in columns 18 and 19 of Table 1, which are calculated using the cash receipts and disbursements method of accounting only.

[2] The Bill and Melinda Gates Foundation reported end-of-year "other investments," valued at \$29.6 billion for both book and market, and beginning-of-year "other investments," valued at \$38.7 billion. These amounts represented the foundation's interest in the Bill and Melinda Gates Foundation Trust. These assets were also reported by the Bill and Melinda Gates Foundation Trust on its Form 990-PF. For statistical purposes, the data shown for end-of-year "total assets (fair market value)," "investments, total (non-cash fair market value)," "other investments (fair market value)," "total assets (book value)," "investments, total (non-cash book value)," "other investments (book value)," and "net worth" were reduced by \$29.6 billion to avoid overstating these joint assets. Likewise, data shown for beginning-of-year "total assets (book value)," "investments, total (non-cash book value)," "other investments (book value)," and "net worth" were reduced by \$38.7 billion. For additional information, see <http://www.gatesfoundation.org/annualreport/2008/Documents/2008-annual-report.pdf>.

[3] This category is included with investments in Table 1. However, Table 2 shows total noncash investments, to more closely match the Form 990-PF.

[4] Less than \$500.

NOTE: Detail may not add to total because of rounding.