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Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

2007

Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2007, or tax year beginning DEC 1, 2007, and ending NOV 30, 2008

G Check all that apply ☐ Initial return ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions

Name of foundation
MARGULF FOUNDATION

Number and street (or P.O. box number if mail is not delivered to street address) Room/suite
616 EAST HYMAN #2-D

City or town, state, and ZIP code
ASPEN, CO 81611

A Employer identification number
13-2927245

B Telephone number
303-592-4853

C If exemption application is pending, check here ☐

D 1. Foreign organizations, check here ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ☐

E If private foundation status was terminated under section 507(b)(1)(A), check here ☐

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

H Check type of organization ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16)
\$ **12,362,625.** (Part I, column (d) must be on cash basis)

J Accounting method ☒ Cash ☐ Accrual
☐ Other (specify) _____

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received	2,500,000.			
	2 Check ☐ if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	433,839.	433,839.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		0.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income					
12 Total. Add lines 1 through 11	2,933,839.	433,839.	0.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.	0.	0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees STMT 2	225.	169.	0.	56.
	b Accounting fees STMT 3	11,943.	8,957.	0.	2,986.
	c Other professional fees				
	17 Interest				
	18 Taxes STMT 4	6,554.	0.	0.	0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
23 Other expenses STMT 5	2,179.	1,634.	0.	545.	
24 Total operating and administrative expenses. Add lines 13 through 23	20,901.	10,760.	0.	3,587.	
25 Contributions, gifts, grants paid	167,500.			167,500.	
26 Total expenses and disbursements. Add lines 24 and 25	188,401.	10,760.	0.	171,087.	
27 Subtract line 26 from line 12	2,745,438.				
a Excess of revenue over expenses and disbursements		423,079.			
b Net investment income (if negative, enter -0-)					
c Adjusted net income (if negative, enter -0-)			0.		

LHA For Privacy Act and Paperwork Reduction Act Notice, see the instructions.

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7/1/10

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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	127,713.	4,185,817.	4,185,817.
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶ 3,100.			
	Less allowance for doubtful accounts ▶	3,100.	3,100.	3,100.
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U S and state government obligations STMT 6	8,888,713.	7,581,906.	8,169,475.
	b Investments - corporate stock STMT 7	4,162.	4,233.	4,233.
	c Investments - corporate bonds			
11 Investments - land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other				
14 Land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers)	9,023,688.	11,775,056.	12,362,625.	
Liabilities	17 Accounts payable and accrued expenses	50,132.	50,132.	
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)	0.	0.	
	23 Total liabilities (add lines 17 through 22)	50,132.	50,132.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☒ and complete lines 24 through 26 and lines 30 and 31			
	24 Unrestricted	8,973,556.	11,724,924.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances	8,973,556.	11,724,924.	
	31 Total liabilities and net assets/fund balances	9,023,688.	11,775,056.	

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	8,973,556.
2 Enter amount from Part I, line 27a	2	2,745,438.
3 Other increases not included in line 2 (itemize) ▶	3	5,930.
4 Add lines 1, 2, and 3	4	11,724,924.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	11,724,924.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b NONE				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))	
a				
b				
c				
d				
e				
2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2		
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8		3		

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year, see instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2006	263,294.	8,866,335.	.029696
2005	237,155.	6,931,114.	.034216
2004	145,866.	6,061,825.	.024063
2003	370,486.	5,108,791.	.072519
2002	316,119.	4,780,786.	.066123

2 Total of line 1, column (d)	2	.226617
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.045323
4 Enter the net value of noncharitable-use assets for 2007 from Part X, line 5	4	12,197,526.
5 Multiply line 4 by line 3	5	552,828.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	4,231.
7 Add lines 5 and 6	7	557,059.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions	8	171,087.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1 Date of ruling letter _____ (attach copy of ruling letter if necessary-see instructions)		1	8,462.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☐ and enter 1% of Part I, line 27b		2	0.
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		3	8,462.
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	0.
3 Add lines 1 and 2		5	8,462.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-			
6 Credits/Payments			
a 2007 estimated tax payments and 2006 overpayment credited to 2007	6a 3,977.		
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c 4,500.		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments Add lines 6a through 6d		7	8,477.
8 Enter any penalty for underpayment of estimated tax Check here ☐ if Form 2220 is attached		8	130.
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed		9	115.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid		10	
11 Enter the amount of line 10 to be Credited to 2008 estimated tax		11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
1c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ☐ \$ 0. (2) On foundation managers ☐ \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ☐ \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ CO		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2007 or the taxable year beginning in 2007 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

Part VII-A Statements Regarding Activities (continued)**11a** At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)?

If "Yes," attach schedule (see instructions)

11a ☐ Yes ☒ No**b** If "Yes," did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in the attachment for line 11a?

N/A

11b ☐ Yes ☐ No**12** Did the foundation acquire a direct or indirect interest in any applicable insurance contract?12 ☐ Yes ☒ No**13** Did the foundation comply with the public inspection requirements for its annual returns and exemption application?13 ☒ Yes ☐ NoWebsite address ☐ N/A**14** The books are in care of ☐ GULFCO, LTD.Telephone no ☐ 970-925-2496Located at ☐ 616 EAST HYMAN #2-D, ASPEN, COZIP+4 ☐ 81611**15** Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ☐

and enter the amount of tax-exempt interest received or accrued during the year

☐ 15

N/A

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required**File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.**

Yes No

1a During the year did the foundation (either directly or indirectly)

(1) Engage in the sale or exchange, or leasing of property with a disqualified person?

☐ Yes ☒ No

(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?

☐ Yes ☒ No

(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?

☐ Yes ☒ No

(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?

☐ Yes ☒ No

(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?

☐ Yes ☒ No

(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)

☐ Yes ☒ No**b** If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)?

N/A

1b ☐ Yes ☐ NoOrganizations relying on a current notice regarding disaster assistance check here ☐**c** Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2007?1c ☐ Yes ☒ No**2** Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))**a** At the end of tax year 2007, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2007?☐ Yes ☒ NoIf "Yes," list the years ☐ , ☐ , ☐ , ☐**b** Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)

N/A

2b ☐ Yes ☐ No**c** If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ☐**3a** Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?☐ Yes ☒ No**b** If "Yes," did it have excess business holdings in 2007 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2007.)

N/A

3b ☐ Yes ☐ No**4a** Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?4a ☐ Yes ☒ No**b** Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2007?4b ☐ Yes ☒ No

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Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☒

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

6b

X

If you answered "Yes" to 6b, also file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
MARTIN FLUG	PRESIDENT			
616 E. HYMAN AVE.				
ASPEN, CO 81611	0.00	0.	0.	0.
JEREMY FLUG	VICE PRESIDENT			
616 E. HYMAN AVE.				
ASPEN, CO 81611	0.00	0.	0.	0.
RICHARD BOERNER	TREASURER			
616 E. HYMAN AVE.				
ASPEN, CO 81611	0.00	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000

0

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Part VIII**Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** (continued)**3** Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services

0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

Expenses

1 ALL CHARITABLE CONTRIBUTIONS ARE MADE DIRECTLY TO ORGANIZATIONS THAT PROVIDE SCHOLARSHIPS, SUPPORT THE ARTS AND OTHER COMMUNITY SERVICES.

2

3

4

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

Amount

1 N/A

2

All other program-related investments See instructions

3

Total. Add lines 1 through 3

0.

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Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	9,841,816.
b	Average of monthly cash balances	1b	2,541,459.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	12,383,275.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	12,383,275.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	185,749.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	12,197,526.
6	Minimum investment return. Enter 5% of line 5	6	609,876.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	609,876.
2a	Tax on investment income for 2007 from Part VI, line 5	2a	8,462.
b	Income tax for 2007 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	8,462.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	601,414.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	601,414.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	601,414.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	171,087.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	171,087.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	171,087.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2006	(c) 2006	(d) 2007
1 Distributable amount for 2007 from Part XI, line 7				601,414.
2 Undistributed income, if any, as of the end of 2006				
a Enter amount for 2006 only			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2007				
a From 2002				
b From 2003	19,589.			
c From 2004				
d From 2005				
e From 2006	263,294.			
f Total of lines 3a through e	282,883.			
4 Qualifying distributions for 2007 from Part XII, line 4 ▶ \$	171,087.			
a Applied to 2006, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	171,087.			
d Applied to 2007 distributable amount				0.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2007 (If an amount appears in column (d), the same amount must be shown in column (a))	282,883.			282,883.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	171,087.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2006 Subtract line 4a from line 2a Taxable amount - see instr			0.	
f Undistributed income for 2007 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2008				318,531.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2002 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2008. Subtract lines 7 and 8 from line 6a	171,087.			
10 Analysis of line 9				
a Excess from 2003				
b Excess from 2004				
c Excess from 2005				
d Excess from 2006				
e Excess from 2007	171,087.			

N/A

- ☐ 4942(1)(3) or ☐ 4942(1)(5)

- (4) Gross investment income**

[illegible]

N/A

Part XV	Supplementary Information (continued)
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3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient		If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)					
a <i>Paid during the year</i>					
SEE STATEMENT 9					
Total				▶ 3a	167,500.
b <i>Approved for future payment</i>					
NONE					
Total				▶ 3b	0

Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

		Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		
a	Transfers from the reporting foundation to a noncharitable exempt organization of		
	(1) Cash		X
	(2) Other assets		X
b	Other transactions		
	(1) Sales of assets to a noncharitable exempt organization		X
	(2) Purchases of assets from a noncharitable exempt organization		X
	(3) Rental of facilities, equipment, or other assets		X
	(4) Reimbursement arrangements		X
	(5) Loans or loan guarantees		X
	(6) Performance of services or membership or fundraising solicitations		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees		X
d	If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.		

[illegible]

- 2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☒ Yes ☐ No
- b** If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
	N/A	

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

Sign Here

Signature of officer or trustee

Date _____

Title

Preparer's
signature

Date _____

Check if self- employed	
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Preparer's SSN or PTIN

Firm's name (or yours if self-employed),
address, and ZIP code

DELOITTE TAX LLP
555 17TH STREET, SUITE 3600
DENVER, CO 80202

EIN ▶ 86-1065772

Phone no 303-292-5400

Form **990-PF** (2007)

Schedule B(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**Supplementary Information for
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

OMB No 1545-0047

2007

Name of organization

MARGULF FOUNDATION

Employer identification number

13-2927245

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule-see instructions)

General Rule-

- ☒ For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules-

- ☐ For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III)
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year) ▶ \$ _____

Caution: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions
for Form 990, Form 990-EZ, and Form 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2007)

Name of organization

Employer identification number

MARGULF FOUNDATION

13-2927245

Part I Contributors (See Specific Instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	GULFTECH INTERNATIONAL, INC. 616 EAST HYMAN AVENUE, SUITE 2-D ASPEN, CO 81611	\$ 2,500,000.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT	1
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SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
US TREASURY & AGENCIES	433,839.	0.	433,839.
TOTAL TO FM 990-PF, PART I, LN 4	433,839.	0.	433,839.

FORM 990-PF	LEGAL FEES	STATEMENT	2
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	225.	169.	0.	56.
TO FM 990-PF, PG 1, LN 16A	225.	169.	0.	56.

FORM 990-PF	ACCOUNTING FEES	STATEMENT	3
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	11,943.	8,957.	0.	2,986.
TO FORM 990-PF, PG 1, LN 16B	11,943.	8,957.	0.	2,986.

FORM 990-PF	TAXES	STATEMENT	4
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL EXCISE TAXES	6,554.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 18	6,554.	0.	0.	0.

FORM 990-PF	OTHER EXPENSES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK CHARGES	2,179.	1,634.	0.	545.
TO FORM 990-PF, PG 1, LN 23	2,179.	1,634.	0.	545.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	6
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DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
JP MORGAN - US TREASURY OBLIGATIONS	X		7,581,906.	8,169,475.
TOTAL U.S. GOVERNMENT OBLIGATIONS			7,581,906.	8,169,475.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			7,581,906.	8,169,475.

FORM 990-PF	CORPORATE STOCK	STATEMENT	7
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SMITH BARNEY	4,233.	4,233.
TOTAL TO FORM 990-PF, PART II, LINE 10B	4,233.	4,233.

FORM 990-PF	PART XV - LINE 1A LIST OF FOUNDATION MANAGERS	STATEMENT	8
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NAME OF MANAGER

MARTIN FLUG
JEREMY FLUG

FORM 990-PF

GRANTS AND CONTRIBUTIONS
PAID DURING THE YEAR

STATEMENT 9

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
ADOPTION EXCHANGE 14232 E. EVANS AVENUE, AURORA, CO 80014	NONE SUPPORT ADOPTION FOUNDATION		3,000.
ASPEN ART MUSEUM 590 N. MILL STREET, ASPEN, CO 81611	NONE SUPPORT COMMUNITY ART MUSEUM		1,000.
ASPEN CHORAL SOCIETY P.O. BOX 650, ASPEN, CO 81612	NONE SUPPORT COMMUNITY ARTS		300.
ASPEN HISTORICAL SOCIETY 620 W. BLEEKER, ASPEN, CO 81611	NONE SUPPORT LOCAL MUSEUM		1,000.
CHILDRENS HOSPITAL FOUNDATION 1245 E. COLFAX, STE 400, DENVER, CO 80218	NONE SUPPORT OF MEDICAL SERVICES FOR COMMUNITY		4,200.
DENISON UNIVERSITY BOX D, GRANVILLE, OH 43023	NONE SCHOLARSHIP		25,000.
GEORGE SCHOOL ANNUAL FUND P.O. BOX 4438, NEWTOWN, PA 18940-0962	NONE SCHOLARSHIP		2,500.
HARVARD BUSINESS SCHOOL FUND 124 MT. AUBURN ST, STE 430N, CAMBRIDGE, MA 02138	NONE SCHOLARSHIP FUND		1,000.
MUSIC ASSOCIATES OF ASPEN 2 MUSIC SCHOOL ROAD, ASPEN, CO 81611	NONE SUPPORT COMMUNITY ARTS		12,000.
ROARING FORK PUBLIC RADIO 110 EAST HALLAM ST, STE 134, ASPEN, CO 81611-1467	NONE SUPPORT LOCAL PUBLIC RADIO		1,000.

ST. ANNE'S EPISCOPAL SCHOOL INC 2701 S. YORK STREET, DENVER, CO 80210	NONE ENDOWMENT FUND CONTRIBUTION	25,000.
ASPEN CENTER FOR ENVIRONMENTAL STUDIES 100 PUPPY SMITH STREET, ASPEN, CO 81611	NONE SUPPORT EDUCATION	500.
THE WILDERNESS WORKSHOP P.O. BOX 1442, CARBONDALE, CO 81623	NONE SUPPORT CONSERVATION OF THE WHITE RIVER NAT FOREST	1,000.
THE ASPEN INSTITUTE 1000 NORTH THIRD STREET, ASPEN, CO 81611	NONE SUPPORT VALUE BASED LEADERSHIP	25,000.
MOUNTAIN RESCUE ASPEN INC. 630 WEST MAIN STREET, ASPEN, CO 81611	NONE NEW EMERGENCY RESCUE VEHICLE	3,000.
KENT DENVER SCHOOL 4000 EAST QUINCY AVENUE, ENGLEWOOD, CO 80113	NONE ANNUAL PLEDGE	10,000.
FOREST CONSERVANCY P.O. BOX 3136, ASPEN, CO 81612	NONE SUPPORT FOREST CONSERVANCY	1,000.
HARVARD UNIVERSITY 29 OXFORD STREET, CAMBRIDGE, MA 02138	NONE SUPPORT EDUCATION	1,000.
YALE LAW SCHOOL 127 WALL STREET, NEW HAVEN, CT 06511	NONE SUPPORT EDUCATION	40,000.
RABBI'S DISCRETIONARY FUND	NONE SUPPORT COMMUNITY	10,000.

TOTAL TO FORM 990-PF, PART XV, LINE 3A

167,500.

**Application for Extension of Time To File an
Exempt Organization Return**

OMB No. 1545-1709

► File a separate application for each return

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.**Part I Automatic 3-Month Extension of Time.** Only submit original (no copies needed).A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only ☐*All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.***Electronic Filing (e-file).** Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization MARGULF FOUNDATION	Employer identification number 13-2927245
	Number, street, and room or suite no. If a P.O. box, see instructions. 616 EAST HYMAN, NO. #2-D	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. ASPEN, CO 81611	

Check type of return to be filed (file a separate application for each return):

- | | | |
|---|---|------------------------------------|
| ☐ Form 990 | ☐ Form 990-T (corporation) | ☐ Form 4720 |
| ☐ Form 990-BL | ☐ Form 990-T (sec. 401(a) or 408(a) trust) | ☐ Form 5227 |
| ☐ Form 990-EZ | ☐ Form 990-T (trust other than above) | ☐ Form 6069 |
| ☒ Form 990-PF | ☐ Form 1041-A | ☐ Form 8870 |

- The books are in the care of ► **GULFCO, LTD.**

Telephone No. ► **970-925-2496**

FAX No. ►

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension will cover.

- 1 I request an automatic 3-month (6-months for a corporation required to file Form 990-T) extension of time until **JULY 15, 2009**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
- ☐ calendar year _____ or
- ☒ tax year beginning **DEC 1, 2007**, and ending **NOV 30, 2008**.

- 2 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$ 8,477.
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$ 3,977.
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions.	3c	\$ 4,500.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

LHA For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form **8868** (Rev. 4-2008)