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

OMB No 1545-0052

2008

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

For calendar year 2008, or tax year beginning **AUGUST 1**, 2008, and ending **JULY 31**, 2009G 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 THE KOSHLAND FOUNDATION		A Employer identification number 68-0069874
	Number and street (or P.O. box number if mail is not delivered to street address)	Room/suite	B Telephone number (see page 10 of the instructions) 415-897-2882
	City or town, state, and ZIP code MENLO PARK CA 94026-7310		C If exemption application is pending, check here <input type="checkbox"/>
			D 1. Foreign organizations, check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation			2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 23,254,208			E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)			F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

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) (see page 11 of the instructions))

	(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 (attach schedule)	0			
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
3 Interest on savings and temporary cash investments	81,468	81,468		
4 Dividends and interest from securities	488,044	488,044		
5a Gross rents	0	0		
b Net rental income or (loss)	0			
6a Net gain or (loss) from sale of assets not on line 10	100,219			
b Gross sales price for all assets on line 6a	1,732,002			
7 Capital gain net income (from Part IV, line 2)		100,219		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances	0			
b Less: Cost of goods sold	0			
c Gross profit or (loss) (attach schedule)	0			
11 Other income (attach schedule)	(75,582)	(75,582)		
12 Total. Add lines 1 through 11	594,149	594,149	N/A	
Operating and Administrative Expenses				
13 Compensation of officers, directors, trustees, etc.	0	0		0
14 Other employee salaries and wages	0	0		0
15 Pension plans, employee benefits	0	0		0
16a Legal fees (attach schedule)	0	0		0
b Accounting fees (attach schedule)	12,055	3,000		1,000
c Other professional fees (attach schedule)	88,716	88,716		0
17 Interest	0	0		0
18 Taxes (attach schedule) (see page 14 of the instructions)	47,812	22,812		0
19 Depreciation (attach schedule) and depletion				0
20 Occupancy				0
21 Travel, conferences, and meetings				0
22 Printing and publications				0
23 Other expenses (attach schedule)	160	0		0
24 Total operating and administrative expenses. Add lines 13 through 23	148,743	114,528	0	1,000
25 Contributions, gifts, grants paid	1,108,000			1,108,000
26 Total expenses and disbursements. Add lines 24 and 25	1,256,743	114,528	0	1,109,000
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	(662,594)			
b Net investment income (if negative, enter -0-)		479,621		
c Adjusted net income (if negative, enter -0-)			N/A	

For Privacy Act and Paperwork Reduction Act Notice, see page 30 of the instructions.

Form **990-PF** (2008)

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

	Beginning of year	End of year	
	(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	0	0
	2 Savings and temporary cash investments	4,759,216	4,689,275
	3 Accounts receivable ▶		
	Less: allowance for doubtful accounts ▶	0	0
	4 Pledges receivable ▶		
	Less: allowance for doubtful accounts ▶	0	0
	5 Grants receivable	0	0
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)	0	0
	7 Other notes and loans receivable (attach schedule) ▶		
	Less: allowance for doubtful accounts ▶	0	0
	8 Inventories for sale or use	0	0
	9 Prepaid expenses and deferred charges	0	0
	10a Investments—U S and state government obligations (attach schedule)	0	0
	b Investments—corporate stock (attach schedule)	5,903,931	5,497,964
	c Investments—corporate bonds (attach schedule)	549,533	0
	11 Investments—land, buildings, and equipment basis ▶		
Liabilities	Less: accumulated depreciation (attach schedule) ▶	0	0
	12 Investments—mortgage loans	0	0
	13 Investments—other (attach schedule)	11,422,061	11,784,908
	14 Land, buildings, and equipment: basis ▶		
	Less: accumulated depreciation (attach schedule) ▶	0	0
	15 Other assets (describe ▶ ORGANIZATION COSTS)	2,145	2,145
	16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	22,636,886	21,974,292
	17 Accounts payable and accrued expenses	0	0
	18 Grants payable	0	0
	19 Deferred revenue	0	0
Net Assets or Fund Balances	20 Loans from officers, directors, trustees, and other disqualified persons	0	0
	21 Mortgages and other notes payable (attach schedule)	0	0
	22 Other liabilities (describe ▶)	0	0
	23 Total liabilities (add lines 17 through 22)	0	0
	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.		
	24 Unrestricted		
	25 Temporarily restricted		
	26 Permanently restricted		
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 27 through 31.		
	27 Capital stock, trust principal, or current funds	0	0
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0	0
	29 Retained earnings, accumulated income, endowment, or other funds	22,636,886	21,974,292
	30 Total net assets or fund balances (see page 17 of the instructions)	22,636,886	21,974,292
	31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	22,636,886	21,974,292

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	22,636,886
2 Enter amount from Part I, line 27a	2	(662,594)
3 Other increases not included in line 2 (itemize) ▶	3	0
4 Add lines 1, 2, and 3	4	21,974,292
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	21,974,292

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 SEE STATEMENT FOLLOWING		P		
b				
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) $\left\{ \begin{array}{l} \text{If gain, also enter in Part I, line 7} \\ \text{If (loss), enter -0- in Part I, line 7} \end{array} \right\}$	2	100,219
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) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8	3	N/A

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 page 18 of the 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))
2007	1,249,500	28,926,413	.0432
2006	2,021,000	29,563,686	.0684
2005	368,500	27,284,537	.0135
2004	2,852,465	26,599,968	.1072
2003	1,653,000	26,974,880	.0613

2 Total of line 1, column (d)	2	.2936
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	.0587
4 Enter the net value of noncharitable-use assets for 2008 from Part X, line 5	4	21,873,270
5 Multiply line 4 by line 3	5	1,283,961
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	4,796
7 Add lines 5 and 6	7	1,288,757
8 Enter qualifying distributions from Part XII, line 4	8	1,109,000

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 on page 18.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling letter: _____ (attach copy of ruling letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	9,592
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0
3	Add lines 1 and 2	3	9,592
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	9,592
6	Credits/Payments:		
a	2008 estimated tax payments and 2007 overpayment credited to 2008	6a	50,410
b	Exempt foreign organizations—tax withheld at source	6b	0
c	Tax paid with application for extension of time to file (Form 8868)	6c	0
d	Backup withholding erroneously withheld	6d	0
7	Total credits and payments. Add lines 6a through 6d	7	50,410
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	0
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	40,818
11	Enter the amount of line 10 to be: Credited to 2009 estimated tax 40,818 Refunded	11	0

Part VII-A Statements Regarding Activities

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?	Yes	No
1a			X
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?		X
	<i>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.</i>		
c	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? <i>If "Yes," attach a detailed description of the activities</i>	2	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? <i>If "Yes," attach a conformed copy of the changes</i>	3	X
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	4b	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>	5	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?	6	X
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	7	X
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ► CALIFORNIA		
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 <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	8b	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 2008 or the taxable year beginning in 2008 (see instructions for Part XIV on page 27)? <i>If "Yes," complete Part XIV</i>	9	X
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10	X

Part VII-A Statements Regarding Activities (continued)

11	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 page 20 of the instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ►	13	X	
14	The books are in care of ► <u>ROBERT J. HINES, CPA</u> Telephone no. ► <u>415-897-2882</u> Located at ► <u>1701 NOVATO BLVD., STE. 301, NOVATO CA</u> ZIP+4 ► <u>94947-3030</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here ► <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year ► <u>15</u>			

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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>	1b	
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 2008?	1c	X
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 2008, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2008? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ► 20 __, 20 __, 20 __, 20 __		
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 page 20 of the instructions.)	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► 20 __, 20 __, 20 __, 20 __		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2008 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 2008)	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
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 2008?	4b	X

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)? (see page 22 of the instructions) ☐ 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 page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ☐ **5b**

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? ☐ 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? ☐ Yes ☒ No
If you answered "Yes" to 6b, also file Form 8870 **6b** X

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? ☐ Yes ☒ No **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 (see page 23 of the instructions).

(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
SEE STATEMENT ATTACHED		4,000	0	0

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). 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

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services** (see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
MERRILL LYNCH, 2 WORLD FINANCIAL CTR., 35TH FLOOR, NEW YORK, NEW YORK 10281	INVESTMENT ADVISOR AND CUSTODIAN	63,894

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 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 23 of the instructions)

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 page 24 of the instructions	
3	
Total. Add lines 1 through 3	0

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the 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	17,768,075
b	Average of monthly cash balances	1b	4,438,290
c	Fair market value of all other assets (see page 25 of the instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	22,206,365
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	22,206,365
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	333,095
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	21,873,270
6	Minimum investment return. Enter 5% of line 5	6	1,093,664

Part XI Distributable Amount (see page 25 of the 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	1,093,664
2a	Tax on investment income for 2008 from Part VI, line 5	2a	9,592
b	Income tax for 2008. (This does not include the tax from Part VI.)	2b	0
c	Add lines 2a and 2b	2c	9,592
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,084,072
4	Recoveries of amounts treated as qualifying distributions	4	0
5	Add lines 3 and 4	5	1,084,072
6	Deduction from distributable amount (see page 25 of the instructions)	6	0
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	1,084,072

Part XII Qualifying Distributions (see page 25 of the 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	1,109,000
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	0
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	0
b	Cash distribution test (attach the required schedule)	3b	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,109,000
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 (see page 26 of the instructions)	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,109,000

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 page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				1,084,072
2 Undistributed income, if any, as of the end of 2008:				
a Enter amount for 2007 only			0	
b Total for prior years: 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2007:				
a From 2003				0
b From 2004	1,537,337			
c From 2005	0			
d From 2006	557,067			
e From 2007	0			
f Total of lines 3a through e	2,094,404			
4 Qualifying distributions for 2008 from Part XII, line 4: ▶ \$ 1,109,000				
a Applied to 2007, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		0		
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)	1,109,000			
d Applied to 2008 distributable amount				0
e Remaining amount distributed out of corpus	0			
5 Excess distributions carryover applied to 2008	1,084,072			1,084,072
(If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	2,119,332			
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 page 27 of the instructions		0		
e Undistributed income for 2007. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions			0	
f Undistributed income for 2008. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2009				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 27 of the instructions)	0			
8 Excess distributions carryover from 2003 not applied on line 5 or line 7 (see page 27 of the instructions)	0			
9 Excess distributions carryover to 2009. Subtract lines 7 and 8 from line 6a	2,119,332			
10 Analysis of line 9:				
a Excess from 2004	453,265			
b Excess from 2005	0			
c Excess from 2006	557,067			
d Excess from 2007	0			
e Excess from 2008	1,109,000			

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2008, enter the date of the ruling ▶ N/A

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2008	(b) 2007	(c) 2006	(d) 2005	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities . .					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test—enter $\frac{1}{4}$ of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see page 27 of the instructions.)**1 Information Regarding Foundation Managers:**

- a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

JAMES M. KOSHLAND; DOUGLAS E. KOSHLAND

- b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

- a** The name, address, and telephone number of the person to whom applications should be addressed:

- b** The form in which applications should be submitted and information and materials they should include:

- c** Any submission deadlines:

- d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

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

Recipient Name and address (home or business)	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
a Paid during the year SEE SCHEDULE ATTACHED				1,108,000
Total			▶ 3a	1,108,000
b Approved for future payment				
Total			▶ 3b	0

		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	1c	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

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.

Signature of officer or trustee

Date _____

Title _____

Sign Here

**Paid
Preparer's
Use Only**

Preparer's
signature

Date _____

Check if self-employed ☐

Preparer's identifying
number (see **Signature** on
page 30 of the instructions)

P00014601

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

HINES & JONES, CPAs

FIN ▶ 95-4308180

1701 NOVATO BLVD., NOVATO CA 94947

Phone no 415-897-2882

THE KOSHLAND FOUNDATION
68-0069874
Form 990-PF
July 31, 2009

PART I, LINE 11 - OTHER INCOME:

Other Ordinary Income - Pass-thru:

ML Select Futures I L.P. \$ (75,582)
(EIN: 13-3879393)

PART I, LINE 16b - ACCOUNTING FEES:

Hines & Jones, CPAs: Preparation of annual
reporting forms \$ 8,055
J. Esposto - annual record-keeping 4,000
\$ 12,055

PART I, LINE 16c - OTHER PROFESSIONAL FEES:

Investment & Custodial Fees:

Merrill Lynch \$ 63,894
Wells Fargo 10,099
Capital Guardian 14,723
\$ 88,716

PART I, LINE 18 - TAXES:

Department of Treasury - Federal tax deposit 25,000
Foreign Tax Withheld 22,812
\$ 47,812

PART I, LINE 23 - OTHER EXPENSES:

Secretary of State - filing fee \$ 0
Registry of Charitable Trusts(CA) - filing fee 150
Franchise Tax Board (CA) - Form 199 10
\$ 160

THE KOSHLAND FOUNDATION
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PART II - BALANCE SHEET - DETAIL - END OF YEAR

	<u>Book Value (Cost)</u>	<u>Fair Market Value</u>
<u>Line 10b - Investments - Corporate Stock:</u>		
Merrill Lynch Account - see detail attached	\$5,491,392	\$5,831,053
2,000 shs. Proctor & Gamble*	6,572	111,020
	<u>\$5,497,964</u>	<u>\$5,942,073</u>
<u>Line 13 - Investments - Other:</u>		
ML Select Futures I, LP	\$1,475,712	\$1,478,989
T Rowe Price Capital Appreciation Fund	2,968,584	3,132,291
Vanguard Dividend Growth Fund	2,234,936	2,604,440
Franklin Rising Dividends Fund - Class A	1,230,134	1,285,378
American Funds Capital World Growth & Income	1,139,655	1,124,074
American Funds EuroPacific Growth Fund	2,218,627	2,609,249
Wells Fargo Account - accrued income	0	639
IShares Trust Index Fund	517,260	387,800
	<u>\$11,784,908</u>	<u>\$12,622,860</u>

* stock donated in prior year.

THE KOSHLAND FOUNDATION
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PART II, LINE 10b - INVESTMENTS - CORPORATE STOCK:

PAGE 1 OF 5

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 07/31/09	Unrealized Gain or (Loss)	Est Annual Income
Equities						
798	SCHLUMBERGER LTD	08/28/08	78,447.07	42,693 00	(35,754 00)	670 32
392	SYSCO CORPORATION	11/02/04	13,402 09	9,313 92	(4,088 00)	376 32
580	SYSCO CORPORATION	11/03/04	19,948 35	13,780 80	(6,167 00)	556.80
409	SYSCO CORPORATION	01/11/05	14,849 77	9,717 84	(5,131 00)	392 64
582	TOTAL S A SP ADR	03/01/05	33,987.25	32,388 30	(1,598 00)	1,482 35
592	TOTAL S A SP ADR	03/02/05	34,452 21	32,944 80	(1,507 00)	1,507 82
586	TOTAL S A SP ADR	04/21/05	32,773 20	32,610.90	(162 00)	1,492.54
100	TOTAL S A SP ADR	10/10/05	6,325 87	5,565 00	(760 00)	254 70
64	TOTAL S A SP ADR	12/02/05	4,058.09	3,561 60	(496 00)	163.01
546	TOTAL S A SP ADR	10/27/08	25,040 22	30,384 90	5,344 00	1,390 66
1,326	TEXAS INSTRUMENTS	11/30/06	39,349 45	31,890 30	(7,459 00)	583 43
1,052	TEXAS INSTRUMENTS	09/05/07	37,148 43	25,300 60	(11,847 00)	462 87
896	TEXAS INSTRUMENTS	10/25/07	27,946.42	21,548 80	(6,397 00)	394 24
2,036	TARGET CORP COM	04/15/03	64,861.67	88,810 32	23,948 00	1,384 46
284	TARGET CORP COM	07/25/06	13,141 16	12,388 08	(753 00)	193 12
321	TRANSOCEAN LTD	07/11/06	25,123 59	25,580 49	456 00	
34	TRANSOCEAN LTD	10/02/06	2,391.28	2,709 46	318 00	
206	TRANSOCEAN LTD	07/19/07	22,352 90	16,416 14	(5,936 00)	
224	TRANSOCEAN LTD	02/07/08	27,432 70	17,850 56	(9,582 00)	
1,098	UNITED TECHS CORP COM	05/16/06	71,543 04	59,808 06	(11,734 00)	1,690 89
78	UNITED TECHS CORP COM	10/02/06	5,000 58	4,248 66	(751 00)	120 12
511	UNITED TECHS CORP COM	10/25/07	38,696 24	27,834 17	(10,862 00)	786 93
1,318	WAL-MART STORES INC	01/11/05	70,626 62	65,741 84	(4,884 00)	1,436 59
419	WAL-MART STORES INC	07/06/05	20,724 03	20,899 72	175 00	456 70
177	WAL-MART STORES INC	03/31/09	9,230 32	8,828 76	(401 00)	192 93
273	WAL-MART STORES INC	05/14/09	13,509 60	13,617 24	107 00	297 56
108	WAL-MART STORES INC	06/04/09	5,481 33	5,387.04	(94 00)	117 72
2,800	WALGREEN CO	04/15/03	89,114 77	86,940 00	(2,174 00)	1,539 97
103	WALGREEN CO	06/18/03	3,371 19	3,198 15	(173 00)	56 65
323	WALGREEN CO	03/04/04	11,291.56	10,029 15	(1,262 00)	177 65
487	WALGREEN CO	06/03/09	15,225 42	15,121 35	(104 00)	267 84
Total Equities			5,491,391 76	5,831,053 07	339,683 00	161,014 15

THE KOSHLAND FOUNDATION
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PART II, LINE 10b - INVESTMENTS - CORPORATE STOCK:

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CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 07/31/09	Unrealized Gain or (Loss)	Est Annual Income
Equities						
379	NOVO NORDISK A S ADR	05/07/08	25,332.89	22,129.81	(3,203.00)	296.01
64	NOVO NORDISK A S ADR	05/08/08	4,291.99	3,736.96	(555.00)	49.99
57	NOVO NORDISK A S ADR	05/09/08	3,841.62	3,328.23	(513.00)	44.52
77	NOVO NORDISK A S ADR	05/12/08	5,215.96	4,496.03	(719.00)	60.14
1,826	OCCIDENTAL PETE CORP CAL	01/11/05	50,885.69	130,266.84	79,381.00	2,410.33
651	PRUDENTIAL FINANCIAL INC	03/27/07	59,049.80	28,819.77	(30,230.00)	377.57
53	PRUDENTIAL FINANCIAL INC	08/17/07	4,662.80	2,346.31	(2,316.00)	30.74
980	PEABODY ENERGY CORP COM	02/15/07	37,199.11	32,447.80	(4,751.00)	235.21
392	PEABODY ENERGY CORP COM	07/19/07	17,529.46	12,979.12	(4,550.00)	94.09
72	PEABODY ENERGY CORP COM	08/17/07	2,758.85	2,383.92	(374.00)	17.28
196	PATRIOT COAL CORP	02/15/07	2,492.64	1,640.52	(852.00)	
78	PATRIOT COAL CORP	07/19/07	1,174.61	652.86	(521.00)	
14	PATRIOT COAL CORP	08/17/07	184.86	117.18	(67.00)	
4,612	PHILIP MORRIS INTL INC	04/15/03	78,972.39	214,919.20	135,946.00	9,961.93
30	PHILIP MORRIS INTL INC	04/19/07	1,445.00	1,398.00	(47.00)	64.80
593	PHILIP MORRIS INTL INC	04/10/08	29,065.18	27,633.80	(1,431.00)	1,280.88
438	PHILIP MORRIS INTL INC	05/27/08	22,596.46	20,410.80	(2,185.00)	946.08
772	PHILIP MORRIS INTL INC	01/13/09	32,779.58	35,975.20	3,195.00	1,667.52
351	PHILIP MORRIS INTL INC	03/31/09	12,554.01	16,356.60	3,802.00	758.16
3,114	PEPSICO INC	04/15/03	127,098.23	176,719.50	49,621.00	5,605.19
25	PEPSICO INC	06/18/03	1,124.25	1,418.75	294.00	45.00
221	PRAXAIR INC	03/09/05	10,641.24	17,277.78	6,636.00	353.61
219	PRAXAIR INC	03/09/05	10,529.26	17,121.42	6,592.00	350.41
278	PRAXAIR INC	03/10/05	13,310.50	21,734.04	8,423.00	444.81
233	PRAXAIR INC	03/24/06	12,968.31	18,215.94	5,247.00	372.81
346	PRAXAIR INC	05/16/06	19,275.94	27,050.28	7,774.00	553.61
2,704	PROCTER & GAMBLE CO	04/15/03	121,260.89	150,099.04	28,838.00	4,759.04
108	PROCTER & GAMBLE CO	06/18/03	4,945.32	5,995.08	1,049.00	190.08
762	PROCTER & GAMBLE CO	01/14/04	33,225.16	43,408.82	10,183.00	1,376.32
1,056	QUALCOMM INC	11/30/06	38,555.40	48,797.76	10,242.00	718.06
757	QUALCOMM INC	05/23/08	35,810.11	34,980.97	(829.00)	514.74
1,203	ROYAL DUTCH SHELL PLC SPONS ADR A	04/15/03	51,476.98	63,325.92	11,848.00	3,435.75
386	ROYAL DUTCH SHELL PLC SPONS ADR A	06/27/05	24,919.50	20,319.04	(4,600.00)	1,102.41
819	ROYAL DUTCH SHELL PLC SPONS ADR A	10/27/08	37,844.76	43,112.16	5,267.00	2,339.05
81	ROYAL DUTCH SHELL PLC SPONS ADR A	03/31/09	3,618.53	4,263.84	645.00	231.33

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PART II, LINE 10b - INVESTMENTS - CORPORATE STOCK:

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CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 07/31/09	Unrealized Gain or (Loss)	Est Annual Income
Equities						
6,587	INTEL CORP	04/15/03	113,424 19	126,799 75	13,375 00	3,688 73
970	INTEL CORP	01/11/05	21,825 00	18,672 50	(3,152 00)	543 20
1,754	JPMORGAN CHASE & CO	01/11/05	66,652 00	67,792 10	1,140 00	350 82
951	JPMORGAN CHASE & CO	01/13/09	24,052 31	36,756 15	12,703 00	190 21
531	JPMORGAN CHASE & CO	06/02/09	18,512 36	20,523 15	2,010 00	106 21
1,935	JOHNSON AND JOHNSON COM	04/15/03	109,301 01	117,822 15	8,521 00	3,792 58
208	JOHNSON AND JOHNSON COM	06/18/03	11,433 76	12,665 12	1,231 00	407 68
1,057	JOHNSON AND JOHNSON COM	03/04/04	56,094 36	64,360 73	8,266 00	2,071 71
533	JOHNSON AND JOHNSON COM	03/31/09	28,065 06	32,454 37	4,389 00	1,044 67
438	JOHNSON AND JOHNSON COM	06/04/09	24,417 62	26,669 82	2,252 00	858 47
1,491	LAUDER ESTEE COS INC A	04/15/03	44,670 36	54,332 04	9,661 00	820 03
279	LAUDER ESTEE COS INC A	07/06/05	10,843 89	10,166 76	(677 00)	153 45
1,811	MCDONALDS CORP COM	04/15/03	28,609 65	99,713 66	71,104 00	3,622 00
619	MCDONALDS CORP COM	06/03/09	37,631 49	34,082 14	(3,549 00)	1,238 00
2,343	MC GRAW HILL COMPANIES	04/15/03	69,570 94	73,453 05	3,882 00	2,108 69
4	MC GRAW HILL COMPANIES	06/18/03	128.90	125 40	(3 00)	3 60
830	MEDTRONIC INC COM	07/19/07	43,148 55	29,398 60	(13,749 00)	680 61
534	MEDTRONIC INC COM	10/25/07	25,406 49	18,914 28	(6,492 00)	437.88
2,390	MERCK&CO INC	01/11/05	74,496 30	71,723 90	(2,772 00)	3,632 82
288	MERCK&CO INC	06/05/09	7,552 74	8,642 88	1,090 00	437 76
411	MERCK&CO INC	07/01/09	11,561 68	12,334 11	772 00	624 72
5,864	MICROSOFT CORP	04/15/03	144,488 97	137,921 28	(6,567 00)	3,049 30
163	MICROSOFT CORP	06/18/03	4,242 89	3,833 76	(409 00)	84 76
945	MICROSOFT CORP	02/24/04	25,393 85	22,226 40	(3,167 00)	491 40
563	MICROCHIP TECHNOLOGY INC	01/10/07	19,672 35	15,161.59	(4,510 00)	763 43
545	MICROCHIP TECHNOLOGY INC	01/11/07	19,556 29	14,676 85	(4,879 00)	739 02
86	MICROCHIP TECHNOLOGY INC	06/09/08	2,990 52	2,315 98	(674 00)	116 62
4,806	NEWS CORP CL A	04/15/03	54,019 44	49,645.98	(4,373 00)	576 74
1,089	NEWS CORP CL A	01/11/05	18,523 67	11,249 37	(7,274 00)	130 68
509	NEWS CORP CL A	07/06/05	8 174 89	5 247.64	(2 927 00)	60 96
3,455	NESTLE S A REP RG SH ADR	04/15/03	71,242 11	141,931 40	70,689 00	2,777 88
77	NESTLE S A REP RG SH ADR	06/18/03	1,715 85	3,163 16	1,447.00	61 91
185	NOVO NORDISK A S ADR	04/30/08	12,717 46	10,802 15	(1,915 00)	144 49
185	NOVO NORDISK A S ADR	05/01/08	12,678 18	10,802 15	(1,876.00)	144 49
53	NOVO NORDISK A S ADR	05/02/08	3,560 75	3,094 67	(466.00)	41 39
1	NOVO NORDISK A S ADR	05/05/08	68.27	58 39	(9 00)	0 78
249	NOVO NORDISK A S ADR	05/06/08	17,012 95	14,539 11	(2,473 00)	194 48

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PART II, LINE 10b - INVESTMENTS - CORPORATE STOCK:

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CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 07/31/09	Unrealized Gain or (Loss)	Est Annual Income
Equities						
4,285	EXXON MOBIL CORP COM	04/15/03	149,371.69	301,621.15	152,249.00	7,198.79
92	EXXON MOBIL CORP COM	06/18/03	3,432.52	6,475.88	3,043.00	154.56
265	EXXON MOBIL CORP COM	02/05/04	10,687.11	18,653.35	7,966.00	445.20
162	EXXON MOBIL CORP COM	06/04/09	11,817.41	11,403.18	(414.00)	272.16
506	EXELON CORPORATION	02/07/08	38,491.07	25,735.16	(12,755.00)	1,062.60
440	EXELON CORPORATION	05/23/08	38,965.56	22,378.40	(16,587.00)	924.00
772	FLUOR CORP NEW DEL COM	05/01/06	36,767.81	40,761.60	3,993.00	386.01
196	FLUOR CORP NEW DEL COM	10/02/06	7,436.24	10,348.80	2,912.00	98.00
58	FLUOR CORP NEW DEL COM	02/07/08	3,162.31	3,062.40	(99.00)	29.00
1,772	FOMENTO ECNMCO MEX SPADR SAB DE CV	04/16/08	79,549.51	68,399.20	(11,150.00)	322.50
102	FOMENTO ECNMCO MEX SPADR SAB DE CV	04/23/08	4,480.50	3,937.20	(543.00)	18.56
68	FOMENTO ECNMCO MEX SPADR SAB DE CV	04/30/08	2,981.48	2,624.80	(356.00)	12.38
641	FRANKLIN RES INC	05/30/08	65,270.79	56,843.88	(8,426.00)	538.43
703	GENL DYNAMICS CORP COM	05/07/08	63,438.72	38,939.17	(24,499.00)	1,068.57
216	GENL DYNAMICS CORP COM	05/30/08	19,987.21	11,964.24	(8,022.00)	328.32
103	GENL DYNAMICS CORP COM	05/07/09	5,545.26	5,705.17	159.00	156.56
7,166	GENERAL ELECTRIC	04/15/03	200,504.69	96,024.40	(104,480.00)	2,866.42
125	GENERAL ELECTRIC	02/05/04	4,184.50	1,675.00	(2,509.00)	50.00
944	HALLIBURTON COMPANY	06/06/06	34,827.18	20,852.96	(13,974.00)	339.84
994	HALLIBURTON COMPANY	07/11/06	36,921.83	21,957.46	(14,964.00)	357.84
680	HALLIBURTON COMPANY	10/02/06	18,958.40	15,021.20	(3,937.00)	244.80
253	HALLIBURTON COMPANY	02/07/08	8,533.13	5,588.77	(2,944.00)	91.08
119	HSBC HLDG PLC SP ADR	09/24/04	9,481.84	6,033.30	(3,448.00)	321.30
284	HSBC HLDG PLC SP ADR	09/27/04	22,477.32	14,398.80	(8,078.00)	766.79
404	HSBC HLDG PLC SP ADR	09/28/04	32,053.48	20,482.80	(11,570.00)	1,090.79
418	HSBC HLDG PLC SP ADR	01/11/05	34,437.43	21,192.60	(13,244.00)	1,128.59
67	HSBC HLDG PLC SP ADR	07/06/05	5,348.82	3,396.90	(1,951.00)	180.90
538	HSBC HLDG PLC SP ADR	04/08/09	9,946.30	27,276.60	17,330.00	1,452.59
144	INTUITIVE SURGICAL INC NEW	05/07/08	42,284.71	32,734.08	(9,550.00)	
2	INTUITIVE SURGICAL INC NEW	05/16/08	596.51	454.64	(141.00)	
2	INTUITIVE SURGICAL INC NEW	06/09/08	552.09	454.64	(97.00)	
111	INTUITIVE SURGICAL INC NEW	04/02/09	10,874.40	25,232.52	14,358.00	

THE KOSHLAND FOUNDATION
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PART II, LINE 10b - INVESTMENTS - CORPORATE STOCK:

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CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 07/31/09	Unrealized Gain or (Loss)	Est Annual Income
Equities						
2,707	ABBOTT LABS	04/15/03	100,242 36	121,787 93	21,545 00	4,331 14
122	ABBOTT LABS	01/11/05	5,775 25	5,488 78	(286 00)	195 20
4,612	ALTRIA GROUP INC	04/15/03	34,656 95	80,848 36	46,191 00	5,903 39
30	ALTRIA GROUP INC	04/19/07	634 13	525 90	(108.00)	38 40
1,010	ALTRIA GROUP INC	05/27/08	22,622 89	17,705 30	(4,917 00)	1,292 81
1,175	ALTRIA GROUP INC	06/04/09	19,934 93	20,597 75	662.00	1,504 01
3,308	ABB LTD SPON ADR	10/01/07	89,891 92	60,470 24	(29,421.00)	
1,282	AMER EXPRESS COMPANY	04/15/03	41,126 23	36,319 06	(4,807 00)	923 05
392	AMER EXPRESS COMPANY	01/14/04	16,560 26	11,105 36	(5,454 00)	282 24
624	APPLE INC	07/19/07	87,449 79	101,955 36	14,505 00	
321	APPLE INC	02/07/08	39,000 86	52,448 19	13,447 00	
188	APPLE INC	10/27/08	18,041.80	30,717 32	12,675 00	
129	APPLE INC	06/03/09	17,985 37	21,077.31	3,091 00	
1,174	AUTOMATIC DATA PROC	10/21/05	45,253 18	43,731 50	(1,521.00)	1,549 67
423	AUTOMATIC DATA PROC	10/20/06	18,096 74	15,756 75	(2,339 00)	558 36
1,391	BANK OF AMERICA CORP	11/04/03	53,038 27	20,572 89	(32,465.00)	55 65
842	BANK OF AMERICA CORP	01/14/04	33,342 65	12,453 18	(20,889 00)	33 69
608	BANK OF AMERICA CORP	10/20/06	32,415 34	8,992 32	(23,423 00)	24 32
427	BECTON DICKINSON CO	06/03/09	29,366 28	27,819 05	(1,547 00)	563 64
180	BECTON DICKINSON CO	07/14/09	12,535 29	11,727 00	(808.00)	237 60
1,946	CHEVRON CORP	04/15/03	61,980 10	135,188 62	73,208 00	5,293 18
114	CHEVRON CORP	10/26/04	6,130 53	7,919 58	1,789 00	310 08
421	CHEVRON CORP	01/11/05	21,683 90	29,246.87	7,562 00	1,145 13
774	CONOCOPHILLIPS	06/03/04	29,076 94	33,831 54	4,754 00	1,455 13
896	CONOCOPHILLIPS	06/07/04	33,520 48	39,164 16	5,643 00	1,684 49
436	CONOCOPHILLIPS	10/26/04	18,769 49	19,057 56	288 00	819 68
944	CONOCOPHILLIPS	01/11/05	40,522 19	41,262 24	740 00	1,774 73
34	CONOCOPHILLIPS	04/21/05	1,766 26	1,486 14	(280 00)	63 92
676	CONOCOPHILLIPS	05/07/09	30 001.22	29,547 96	(453 00)	1,270 69
985	CATERPILLAR INC DEL	07/11/06	71,968 73	43,399 10	(28,569.00)	1,654 81
87	CATERPILLAR INC DEL	10/02/06	5,688 06	3,833 22	(1,854 00)	146 16
314	CATERPILLAR INC DEL	05/07/09	11,965 41	13,834 84	1,869 00	527 52
734	CISCO SYSTEMS INC COM	10/25/07	22,900.66	16,155 34	(6,745 00)	
2,531	CISCO SYSTEMS INC COM	02/07/08	58,214.77	55,707 31	(2,507 00)	
4,902	COCA COLA COM	01/11/05	201,948 67	244,315 68	42,367 00	8,039 21
367	ENTERGY CORP NEW	02/07/08	38,660 37	29,481 11	(9,179 00)	1,101 00
334	ENTERGY CORP NEW	05/23/08	40,314.87	26,830 22	(13,484 00)	1,002 00

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PART IV - CAPITAL GAINS AND LOSSES:

<u>SHARES</u>	<u>DESCRIPTION</u>	<u>DATE</u> <u>ACQ'D</u>	<u>DATE</u> <u>SOLD</u>	<u>SALES</u> <u>PRICE</u>	<u>COST</u>	<u>GAIN OR</u> <u>(LOSS)</u>
<u>MERRILL LYNCH ACCOUNT</u>						
	Merrill Lynch Account - see detail following			543,667	969,505 \$	-425,838
<u>WELLS FARGO ACCOUNT</u>						
79,000	BP CANADA FINANCE 3 625% 1/15/09		01/15/09	79,000	79,000	0
100,000	CITIGROUP GLOBAL MKT 3 65% 5/15/09		05/15/09	100,000	100,000	0
100,000	GENERAL ELEC CAP COR 3 750% 7/15/09		07/15/09	100,000	100,000	0
100,000	HSBC FIN CORP HSBC 5 350% 8/15/08		08/15/08	100,000	99,949	51
100,000	P/P PEPSI BOTTLING 5 625% 2/17/09		02/17/09	100,000	100,728	-728
126,000	SUNTRUST BKS INC 4 000% 10/15/08		10/15/08	126,000	126,000	0
50,000	TARGET CORPORATION 7 500% 8/15/10		07/24/09	53,138	56,601	-3,464
	LITIGATION SETTLEMENT FUND PROCEEDS			38,980	0	38,980
	Wells Fargo Account Total			697,118	662,278	34,840
<u>MUTUAL FUNDS - LONG TERM CAPITAL GAIN DISTRIBUTIONS</u>						
	T Rowe Price Capital Appreciation Fund					25,214
	American Funds EuroPacific Growth Fund					104,364
<u>PASS-THRU ACCOUNTS</u>						
	ML SELECT FUTURES I L.P. :					
	Net Section 1256 Gain					262,028
	Net Capital Gain					99,611
PART IV - LINE 2 - NET CAPITAL GAIN						\$ 100,219

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PART IV - CAPITAL GAINS AND LOSSES:

DETAIL - MERRILL LYNCH

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REALIZED CAPITAL GAIN AND LOSS SUMMARY

Quantity	Security Description	Date of Acquisition	Date of Liquidation	Sale Price	Cost Basis	Gain or (Loss)
1,320 0000	AMER INTL GROUP INC	04/15/03	08/22/08	26,672 03	70,474 80	(43,802 77) LT
4 0000	AMER INTL GROUP INC	06/18/03	08/22/08	80 83	237 60	(156 77) LT
1,313 0000	ANHEUSR BUSCH COS INC	04/15/03	08/22/08	88,939.23	62,630 10	26,309 13 LT
7 0000	ANHEUSR BUSCH COS INC	06/18/03	08/22/08	474 16	374 50	99 66 LT
48 0000	ANHEUSR BUSCH COS INC	01/11/05	08/22/08	3,251 40	2,363 52	887 88 LT
1,103 0000	BP PLC SPON ADR	04/15/03	10/27/08	45,703 42	43,321 22	2,382 20 LT
56 0000	BP PLC SPON ADR	01/11/05	10/27/08	2,320.40	3,201 34	(880 94) LT
2,947 0000	CISCO SYSTEMS INC COM	07/12/07	10/27/08	49,387 02	86,877 56	(37,490 54) LT
447 0000	CISCO SYSTEMS INC COM	10/25/07	10/27/08	7,491.01	13,946 30	(6,455 29) LT
1,328 0000	INTEL CORP	04/15/03	10/27/08	19,341 15	22,867.36	(3,526 21) LT
1,422 0000	ELI LILLY & CO	01/11/05	10/27/08	45,025 09	80,461 17	(35,436 08) LT
721 0000	FREERT-MCMRAN CPR & GLD	05/07/08	12/09/08	14,998 73	84,679 79	(69,681 06) ST
799 0000	MCDERMOTT INTL INC	01/16/08	12/09/08	7,030 27	38,174.78	(31,144 51) ST
565 0000	MCDERMOTT INTL INC	02/07/08	12/09/08	4,971 34	24,474 95	(19,503 61) ST
60 0000	MCDERMOTT INTL INC	05/30/08	12/09/08	527 94	3,668 40	(3,140 46) ST
295 0000	RIO TINTO PLC SPNSRD ADR	09/05/07	12/09/08	22,012 86	84,619 07	(62,606 21) LT
139 0000	AMERIPRISE FINL INC	04/15/03	01/20/09	2,630 35	3,180.83	(550 48) LT
284 0000	AMERIPRISE FINL INC	04/15/03	01/21/09	5,367 08	6,498 97	(1,131 89) LT
79 0000	AMERIPRISE FINL INC	01/14/04	01/21/09	1,492 95	2,359.26	(866 31) LT
424 0000	AMERIPRISE FINL INC	10/28/05	01/21/09	8,012 84	15,571.87	(7,559 03) LT
664 0000	NATIONAL-OILWELL VARCO	02/07/08	01/16/09	15,902 37	39,084 90	(23,182 53) ST
380 0000	NATIONAL-OILWELL VARCO	05/30/08	01/16/09	9,100 76	31 352 81	(22,252 05) ST
2,308 0000	CORNING INC	05/30/08	02/25/09	24,902 02	63,415 53	(38,513 51) ST
40 0000	CORNING INC	06/09/08	02/25/09	431 58	1,066 36	(634 78) ST
1,262 0000	GENERAL ELECTRIC	04/15/03	02/09/09	13,639 99	35,310 76	(21,670 77) LT
2,302 0000	WEATHERFORD INTL LTD	07/12/07	02/09/09	28,917 32	63,788 30	(34,870 98) LT
1,814 0000	EMERSON ELEC CO	04/15/03	03/31/09	51,216 19	43,642 67	7,573 52 LT
152 0000	EMERSON ELEC CO	04/15/03	06/25/09	5,015 93	3,656 94	1,358 99 LT
8 0000	EMERSON ELEC CO	06/18/03	06/25/09	263 99	214 32	49 67 LT
1,168 0000	EMERSON ELEC CO	03/31/05	06/25/09	38,543 48	37,989 38	554 10 LT

FRAC SHS	H5BC HLOG PLC	04/11/09	2 84	6	2 84
			<u>543,600.57</u>	<u>969,505.36</u>	<u>1425,838.79</u>

THE KOSHLAND FOUNDATION

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Form 990-PF

July 31, 2009

PART VIII, LINE 1: OFFICERS AND DIRECTORS:

<u>Name and address</u>	<u>Title</u>	<u>Avg. Hours Per Week</u>	<u>Compen- sation</u>	<u>Contributions to benefit plans and deferred compensation</u>	<u>Expense account, other allowances</u>
Gail K. Wachtel P.O. Box 7310 Menlo Park, CA 94026	Pres. Director	2	None	None	None
James M. Koshland P.O. Box 7310 Menlo Park, CA 94026	Vice Pres. Director	1	None	None	None
Yvonne Koshland P.O. Box 7310 Menlo Park, CA 94026	Vice Pres. Director	1	None	None	None
Douglas E. Koshland P.O. Box 7310 Menlo Park, CA 94026	Vice Pres. Director	1	None	None	None
James Esposto P.O. Box 7310 Menlo Park, CA 94026	Secy. Treasurer CFO	2	\$4,000	None	None
Ellen Koshland P.O. Box 7310 Menlo Park, CA 94026	Vice Pres. Director	1	None	None	None
Phlyssa Koshland P.O. Box 7310 Menlo Park, CA 94026	Vice Pres. Director	1	None	None	None

THE KOSHLAND FOUNDATION
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PART XV, LINE 3a - GRANTS PAID DURING THE YEAR:

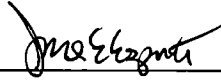
<u>RECIPIENT AND ADDRESS</u>	<u>FNDN. STATUS</u>	<u>PURPOSE OF GRANT OR CONTRIBUTION</u>	<u>AMOUNT</u>
Taube-Koret Campus for Jewish Life 5150 El Camino Real Ste. D-11 Los Altos, CA 94022	501(c)(3)	Current support	\$ 1,000,000
University of California, Berkeley Foundation 2080 Addison St., Ste. 4200 Berkeley, CA 94720	501(c)(3)	Current support The Edward E. Penhoet Distinguished Chair in Global Public Health	50,000
CSULA Auxiliary Services, Inc. 5151 State University Drive Los Angeles, CA 90032-8502	501(c)(3)	Current support Biochemistry Department	28,000
Haverford College 370 Lancaster Avenue Haverford, PA 19041-1392	501(c)(3)	Current support	20,000
Tides Foundation P.O. Box 29903 San Francisco, CA 94029-0903	501(c)(3)	Current support HVNPG/Koshland Park	10,000
TOTAL GRANT DISTRIBUTIONS			<u>\$ 1,108,000</u>

THE KOSHLAND FOUNDATION
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YEAR ENDED JULY 31, 2009

ELECTION PURSUANT TO REGULATIONS SEC. 53.4942(a)-3(d)(2):

PURSUANT TO IRC. SEC. 4942(h)(2) AND REG. SEC. 53.4942(a)-3(d)(2), THE KOSHLAND FOUNDATION HEREBY ELECTS TO TREAT CURRENT YEAR QUALIFYING DISTRIBUTIONS IN EXCESS OF THE IMMEDIATELY PRECEDING TAX YEAR'S UNDISTRIBUTED INCOME AS BEING MADE OUT OF CORPUS.

SIGNED: _____



NAME AND TITLE: JAMES E. ESPOSTO, Sec / CFO