Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2008

For calendar year 2008, or tax year beginning OCT 1, 2008 , and ending SEP 30, 2009

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: JAMES B. TAFEL FOUNDATION

Number and street (or P O box number if mail is not delivered to street address) | Room/suite: 18-1 EAST DUNDEE ROAD, SUITE 101

City or town, state, and ZIP code: BARRINGTON, IL 60010

A Employer identification number: 36-3475140

B Telephone number: 847-382-6930

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 ▶ [ ]

H Check type of organization: [X] Section 501(c)(3) exempt private foundation [ ] Section 4947(a)(1) nonexempt charitable trust [ ] Other taxable private foundation

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶$ 2,165,199.

J Accounting method: [X] Cash [ ] Accrual [ ] 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 ▶ [ ]

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))

	Line	(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			N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	1,451.	1,451.		STATEMENT 1
	4 Dividends and interest from securities	12,161.	12,161.		STATEMENT 2
	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	13,612.	13,612.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 3	2,350.	1,175.		0.
	c Other professional fees				
	17 Interest				
	18 Taxes STMT 4	124.	0.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 5	142.	0.		0.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	2,616.	1,175.		0.
	25 Contributions, gifts, grants paid	215,700.			215,700.
	26 **Total expenses and disbursements.** Add lines 24 and 25	218,316.	1,175.		215,700.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	<204,704.>			
	b **Net investment income** (if negative, enter -0-)		12,437.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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

Form **990-PF** (2008)

823501 01-02-09

14250108 133333 BPN0NJ 2008.05020 JAMES B. TAFEL FOUNDATION BPN0NJ_1

14

Part II Balance Sheets (Attached schedules and amounts in the description column should be for end-of-year amounts only)	Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets			
1 Cash - non-interest-bearing	29,069.	22,792.	22,792.
2 Savings and temporary cash investments	436,835.	238,252.	238,252.
3 Accounts receivable ▶			
Less: allowance for doubtful accounts ▶			
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			
b Investments - corporate stock STMT 6	19,594.	19,594.	1,903,999.
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 ▶ TAX DEPOSIT)	0.	156.	156.
16 **Total assets** (to be completed by all filers)	485,498.	280,794.	2,165,199.
Liabilities			
17 Accounts payable and accrued expenses			
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 ▶)			
23 **Total liabilities** (add lines 17 through 22)	0.	0.	
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			
25 Temporarily restricted			
26 Permanently restricted			
Foundations that do not follow SFAS 117, check here ▶ [X] 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	485,498.	280,794.	
30 **Total net assets or fund balances**	485,498.	280,794.	
31 **Total liabilities and net assets/fund balances**	485,498.	280,794.	

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	485,498.
2 Enter amount from Part I, line 27a	2	<204,704.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	280,794.
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	280,794.

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			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
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))
2007	199,800.	3,216,248.	.062122
2006	1,383,072.	5,100,889.	.271143
2005	258,750.	3,954,947.	.065424
2004	159,300.	2,818,719.	.056515
2003	215,650.	2,355,543.	.091550

2	**Total** of line 1, column (d)	2	.546754
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	.109351
4	Enter the net value of noncharitable-use assets for 2008 from Part X, line 5	4	1,912,709.
5	Multiply line 4 by line 3	5	209,157.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	124.
7	Add lines 5 and 6	7	209,281.
8	Enter qualifying distributions from Part XII, line 4	8	215,700.

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.

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)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b	1	124.
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	124.
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	124.
6	Credits/Payments:		
a	2008 estimated tax payments and 2007 overpayment credited to 2008 — 6a: 280.		
b	Exempt foreign organizations - tax withheld at source — 6b		
c	Tax paid with application for extension of time to file (Form 8868) — 6c		
d	Backup withholding erroneously withheld — 6d		
7	Total credits and payments. Add lines 6a through 6d	7	280.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	156.
11	Enter the amount of line 10 to be: **Credited to 2009 estimated tax** ▶ 156. **Refunded** ▶	11	0.

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?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1b		X
	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.			
c	Did the foundation file **Form 1120-POL** for this year?	1c		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.*	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? *If "Yes," attach a conformed copy of the changes*	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? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	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? *If "Yes," complete Part II, col. (c), and Part XV.*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ IL			
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*	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)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Form **990-PF** (2008)

823531
01-02-09

Part VII-A Statements Regarding Activities *(continued)*

			Yes	No
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 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?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ JAMES B. TAFEL Telephone no. ▶ (847)382-6930
Located at ▶ 18-1 EAST DUNDEE ROAD, STE 101 ZIP+4 ▶ 60010

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 20 of the instructions)? N/A	1b		
	Organizations 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 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? ☐ Yes ☒ No			
	If "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		
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 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.)* N/A	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

Form **990-PF** (2008)

823541
01-02-09

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
JAMES B. TAFEL 18-1 EAST DUNDEE ROAD BARRINGTON, IL 60010	TRUSTEE 0.00	0.	0.	0.
IDA MAY TAFEL 18-1 EAST DUNDEE ROAD BARRINGTON, IL 60010	TRUSTEE 0.00	0.	0.	0.
JULIE K. TAFEL-KLAUS 18-1 EAST DUNDEE ROAD BARRINGTON, IL 60010	TRUSTEE 0.00	0.	0.	0.
JAMES B. TAFEL, JR. 18-1 EAST DUNDEE ROAD BARRINGTON, IL 60010	TRUSTEE 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

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 NOT APPLICABLE	0.
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.

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	1,620,676.
b	Average of monthly cash balances	1b	320,881.
c	Fair market value of all other assets	1c	280.
d	Total (add lines 1a, b, and c)	1d	1,941,837.
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	1,941,837.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	29,128.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,912,709.
6	**Minimum investment return.** Enter 5% of line 5	6	95,635.

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	95,635.
2a	Tax on investment income for 2008 from Part VI, line 5 — 2a: 124.		
b	Income tax for 2008. (This does not include the tax from Part VI.) — 2b:		
c	Add lines 2a and 2b	2c	124.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	95,511.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	95,511.
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	95,511.

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	215,700.
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	215,700.
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	124.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	215,576.

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 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				95,511.
2 Undistributed income, if any, as of the end of 2007				
a Enter amount for 2007 only			0.	
b Total for prior years: ______ , ______ , ______		0.		
3 Excess distributions carryover, if any, to 2008:				
a From 2003 98,345.				
b From 2004 18,399.				
c From 2005 66,518.				
d From 2006 1,128,284.				
e From 2007 39,260.				
f **Total** of lines 3a through e	1,350,806.			
4 Qualifying distributions for 2008 from Part XII, line 4: ▶ $ 215,700.				
a Applied to 2007, 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)	0.			
d Applied to 2008 distributable amount				95,511.
e Remaining amount distributed out of corpus	120,189.			
5 Excess distributions carryover applied to 2008 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	1,470,995.			
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 2007. Subtract line 4a from line 2a. Taxable amount - see instr.			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)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2003 not applied on line 5 or line 7	98,345.			
9 **Excess distributions carryover to 2009.** Subtract lines 7 and 8 from line 6a	1,372,650.			
10 Analysis of line 9:				
a Excess from 2004 18,399.				
b Excess from 2005 66,518.				
c Excess from 2006 1,128,284.				
d Excess from 2007 39,260.				
e Excess from 2008 120,189.				

Form **990-PF** (2008)

823581
01-02-09

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) N/A

1 a 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 ▶

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			
	(a) 2008	(b) 2007	(c) 2006	(d) 2005	(e) Total
2 a 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 2/3 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 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 B. TAFEL

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 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:

JAMES B. TAFEL
18-1 EAST DUNDEE ROAD, SUITE 101, BARRINGTON, IL 60010

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

THE REQUEST SHOULD BE IN WRITING

c Any submission deadlines:

NONE

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

THIS ORGANIZATION ONLY MAKES CONTRIBUTIONS TO ORGANIZATIONS DESCRIBED IN IRC SECTION 170(C).

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 STATEMENT 7				215,700.
Total			▶ 3a	215,700.
b *Approved for future payment*				
NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	1,451.	
4 Dividends and interest from securities			14	12,161.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory					
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		13,612.	0.

13 Total. Add line 12, columns (b), (d), and (e) . . . 13 13,612.

(See worksheet in line 13 instructions to verify calculations.)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).
	NOT APPLICABLE

Part XVII 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	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		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.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

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		

Sign Here

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

James B Tafel | 11-20-10 | TRUSTEE
Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's signature	Date 1-12-10	Check if self-employed ☐	Preparer's identifying number P00866239
Firm's name (or yours if self-employed), address, and ZIP code	RSM MCGLADREY, INC. 20 NORTH MARTINGALE RD., SUITE 500 SCHAUMBURG, IL 60173	EIN	Phone no. 847-413-6900

Form **990-PF** (2008)

823622
01-02-09

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
HARRIS N,A-MONEY MARKET INTEREST	1,451.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	1,451.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
E*TRADE	12,161.	0.	12,161.
TOTAL TO FM 990-PF, PART I, LN 4	12,161.	0.	12,161.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
RSM MCGLADREY	2,350.	1,175.		0.
TO FORM 990-PF, PG 1, LN 16B	2,350.	1,175.		0.

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
VARIOUS TAXES AND FEES	124.	0.		0.
TO FORM 990-PF, PG 1, LN 18	124.	0.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
IL FILING FEE	15.	0.		0.
MISCELLANEOUS	127.	0.		0.
TO FORM 990-PF, PG 1, LN 23	142.	0.		0.

FORM 990-PF CORPORATE STOCK STATEMENT 6

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
DUN & BRADSTREET-1,500 SHS	570.	112,980.
EMC CORP-36,000 SHS	7,920.	613,440.
IMS HEALTH INC-64,000 SHS	8,000.	982,400.
R H DONNELLEY CORP-22,340 SHS	2,064.	1,139.
SOUTHWEST AIRLINES-7,425 SHS	1,040.	71,280.
MOODYS CORP-6.000 SHS	0.	122,760.
TOTAL TO FORM 990-PF, PART II, LINE 10B	19,594.	1,903,999.

JAMES B. TAFEL FOUNDATION
CONTRIBUTIONS
FORM 990PF
#36-3475140

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	CASH AMOUNT
Achievement Center for Children & Families 555 N.W. 4th Street Delray Beach, FL 33444	None 170(C)	CHARITABLE	300
AmeriCares 88 Hamilton Avenue Stamford, CT 06902	None 170(C)	CHARITABLE	100
Arlington Million Ladies P O. Box 7 Arlington Park, IL 60006	None 170 (C)	CHARITABLE	200
Art Institute of Chicago 111 South Michigan Avenue Chicago, IL 60603	None 170 (C)	CHARITABLE	200
Bethesda Hospital 2815 S Seacrest Blvd Boynton Beach, FL 33435	None 170 (C)	MEDICAL	25,250
Bishops School 7607 La Jolla Blvd La Jolla, CA 92037	None 170(C)	EDUCATIONAL	5,000
Burnham Ministry P O BOX 811625 Boca Raton, FL 33481-1625	None 170(C)	RELIGIOUS	1,500

STATEMENT 7

JAMES B. TAFEL FOUNDATION
CONTRIBUTIONS
FORM 990PF
#36-3475140

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	CASH AMOUNT
Cary Firefighters' Association 400 N Cary-Algonquin Road Cary, IL 60013	None 170(C)	EDUCATIONAL	1,500
Cary Junior High School 2109 Crystal Lake Road Cary, Il 60013	None 170(C)	EDUCATIONAL	2,100
Cary-Grove High School 2208 Three Oaks Road Cary, IL 60013	None 170(C)	EDUCATIONAL	6,000
Cary Library 1606 Three Oaks Road Cary, IL 60013	None 170 (C)	EDUCATIONAL	200
CINN Columbus Hospital 4501 Winchester, 3rd Floor Chicago, IL 60640	None 170(C)	MEDICAL	25,000
CRC Recovery Foundation 309 N E 1st Street Delray Beach, FL 33483	None 170(C)	CHARITABLE	100
Field Museum 1400 South Lake Shore Drive Chicago, IL 60605	None 170 (C)	CHARITABLE	200

STATEMENT 7

JAMES B. TAFEL FOUNDATION
CONTRIBUTIONS
FORM 990PF
#36-3475140

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	CASH AMOUNT
Fraternal Order Barrington 112 Algonquin Road Barrington Hills, IL 60010	None 170 (C)	CHARITABLE	1,000
Friends of the Georgia Cup 1 Golf Club Drive Alpharetta, GA 30005	None 170 (C)	CHARITABLE	5,000
Good Shepherd Hospital 450 West Highway 22 Barrington, IL 60010	None 170 (C)	MEDICAL	31,600
Goodwill Industries 819 South Wabash Avenue 4th Floor Chicago, IL 60605-2153	None 170 (C)	HUMANITARIAN	200
Grayson Jockey Club Research 821 Corporate Drive Lexington, KY 40503	None 170(C)	CHARITABLE	500
Helping Paws 257 King Drive Crystal Lake, IL 60014	None 170 (C)	CHARITABLE	200
Home of the Sparrow 6213A Factory Road Crystal Lake, IL 60014	None 170 (C)	HUMANITARIAN	500
Hospice of Northeastern Illinois 410 South Hager Avenue Barrington, IL 60010	None 170 (C)	MEDICAL	10,000

STATEMENT 7

JAMES B. TAFEL FOUNDATION
CONTRIBUTIONS
FORM 990PF
#36-3475140

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	CASH AMOUNT
Hospice Foundation of Northeastern Illinois 410 S. Hager Avenue Barrington, IL 60010	None 170 (C)	MEDICAL	25,000
Kentucky Horse Park Foundation 4089 Iron Works Parkway Lexington, KY 40511-8400	None 170 (C)	CHARITABLE	100
Museum of Science & Ind 57th Street and Lake Shore Dr Chicago, IL 60637	None 170 (C)	CHARITABLE	200
National Museum of Racing & Hall of Fame 191 Union Avenue Saratoga Springs, NY 12866-33566	None 170 (C)	CHARITABLE	200
Pacific Ridge School P O Box 7011 Rancho Santa Fe, CA 92067	None 170(C)	EDUCATIONAL	10,000
Paralyzed Veterans of America 801 Eighteenth Street, NW Washington, DC 20006-3517	None 170(C)	CHARITABLE	100

STATEMENT 7

JAMES B. TAFEL FOUNDATION
CONTRIBUTIONS
FORM 990PF
#36-3475140

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	CASH AMOUNT
Race Track Chaplaincy of America P O. Box 324 Simpsonville, KY 40067	None 170(C)	RELIGIOUS	500
Rancho Santa Fe Community Center P O Box 1834, 5970 La Sendita Rancho Santa Fe, CA 92067	None 170 (C)	CHARITABLE	5,000
Salvation Army 5040 North Pulaski Road Chicago, IL 60630	None 170 (C)	HUMANITARIAN	750
Salvation Army P.O Box 5840 Lake Worth, FL 33460	None 170 (C)	HUMANITARIAN	500
Seacrest Prsbytrn Church 2703 N Seacrest Blvd Delray Beach, FL 33444	None 170 (C)	RELIGIOUS	25,000
Susan G Koman Foundation P O. Box 650309 Dallas, TX 75265	None 170 (C)	CHARITABLE	100
Turning Point P O. Box 723 Woodstock, IL 60098	None 170 (C)	HUMANITARIAN	500

STATEMENT 7

JAMES B. TAFEL FOUNDATION
CONTRIBUTIONS
FORM 990PF
#36-3475140

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	CASH AMOUNT
University of Pittsburgh 372 Mervis Hall Pittsburgh, PA 15260	None 170 (C)	EDUCATIONAL	25,000
U.S Collegiate Championship Alumni Alpharetta, GA 30005	None 170 (C)	EDUCATIONAL	900
Village Church of Rancho Santa Fe P O Box 704 6225 Paseo Delicies Rancho Santa Fe, CA 92067	None 170 (C)	RELIGIOUS	5,000
Wayside House 378 NE 6th Avenue Delray Beach, FL 33483	None 170 (C)	CHARITABLE	200
Total		Total Cash Contributions $	215,700

STATEMENT 7