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

Department of the Treasury
Internal Revenue Service (77)

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

2009

For calendar year 2009, or tax year beginning , 20

<input type="checkbox"/> Check all that apply	<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial Return of a former public charity	<input type="checkbox"/> Final return
	<input type="checkbox"/> Amended return	<input type="checkbox"/> Address change	<input type="checkbox"/> Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation WILLIAM AND DIANE HEIN FOUNDATION Number/street (or P O box no if mail is not delivered to street add) 6500 MAIN STREET SUITE 5 Room/suite City or town, state, and ZIP code WILLIAMSVILLE NY 14221			A Employer identification number 16-1484562 B Telephone number (see the instructions) 716-633-6500 C If exemption application is pending, check here ► D 1 Foreign organizations, check here 2 Foreign organizations meeting the 85% test, check here and attach computation E If private foundation status was terminated under section 507(b)(1)(A), check here F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here
H Check type of organization <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	I Fair market value of all assets at end of year (from Part II, col (c), line 16) ► \$ 5,787,412.			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)
Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), & (d) may not necessarily equal the amounts in column (a) (see instr))</small>		(a) Revenue and expenses per books 509,990.	(b) Net investment income 193,892.	(c) Adjusted net income 193,892.
1 Contributions, gifts, grants, etc , received (attach schedule) 2 Check ► <input type="checkbox"/> if the foundation is not required to attach Sch B 3 Interest on savings and temp cash investments 4 Dividends and interest from securities 5a Gross rents b Net rental income or (loss) 6a Net gain/(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) 8 Net short-term capital gain 9 Income modifications 10a Gross sales less rns & allowances b Less Cost of goods sold c Gross profit or (loss) (attach schedule) 11 Other income (attach schedule) 12 Total. Add lines 1 through 11		(d) Disbursements for charitable purposes (cash basis only) 193,892.		
13 Compensation of officers, directors, trustees, etc 14 Other employee salaries and wages 15 Pension plans, employee benefits 16a Legal fees (attach schedule) b Accounting fees (attach schedule) c Other professional fees (attach schedule) 17 Interest 18 Taxes (attach schedule) (see instructions) 19 Depreciation (attach sch) and depletion 20 Occupancy 21 Travel, conferences, and meetings 22 Printing and publications 23 Other expenses (attach schedule) 24 Total operating and administrative expenses Add lines 13 through 23 25 Contributions, gifts, grants paid 26 Total exp & disbursements Add lines 24 and 25		5,787.	4,000.	RECEIVED APR 02 2010 OGDEN HT
27 Subtract line 26 from line 12 a Excess of revenue over expenses and disbursements b Net investment income (if neg , enter -0-) c Adjusted net income (if neg , enter -0-)		433,563.	185,400.	151,500.

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See inst.)	Beginning of year	End of year
			(a) Book Value	(b) Book Value
Assets	1	Cash - non-interest-bearing	150,175.	24,721.
	2	Savings and temporary cash investments		
	3	Accounts receivable ►		
		Less, allowance for doubtful accts ►		
	4	Pledges receivable ►		
		Less allowance for doubtful accts ►		
	5	Grants receivable		
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)		
	7	Other notes and loans receivable (attach schedule) ►		
		Less allowance for doubtful accounts ►		
	8	Inventories for sale or use		
	9	Prepaid expenses and deferred charges		
	10a	Investments - U.S. and state govt. obligations (attach schedule)	664,935.	1,434,216.
	b	Investments - corporate stock (attach schedule)	302,547.	401,085.
	c	Investments - corporate bonds (attach schedule)	2,925,000.	2,615,000.
	11	Investments - land, buildings, and equipment basis (attach schedule) ►		
		Less accumulated depreciation		
	12	Investments - mortgage loans		
	13	Investments - other (attach schedule)		
	14	Land, buildings, and equipment basis ►	1,665,430.	
		Less accumulated depreciation (attach schedule) ►	201,568.	
	15	Other assets (describe ►)	1,292,278.	1,463,862.
	16	Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	5,334,935.	5,938,884.
				5,787,412.
Liabilities	17	Accounts payable and accrued expenses		
	18	Grants payable		
	19	Deferred revenue		
	20	Loans from officers, directors, trustees, and other disqualified persons	32,000.	202,386.
	21	Mortgages and other notes payable (attach schedule)		
	22	Other liabilities (describe ►)	29.	
	23	Total liabilities (add lines 17 through 22)	32,029.	202,386.
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ► <input checked="" type="checkbox"/>			
	and complete lines 24 through 26 and lines 30 and 31.			
	24	Unrestricted	5,302,906.	5,736,469.
	25	Temporarily restricted		
	26	Permanently restricted		
	Foundations that do not follow SFAS 117, ck. here ► <input type="checkbox"/>			
	and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds		
	28	Paid-in or capital surplus, or land, bldg, and equipment fund		
	29	Retained earnings, accumulated income, endowment, or other funds		
	30	Total net assets or fund balances (see the instructions)	5,302,906.	5,736,469.
	31	Total liabilities and net assets/fund balances (see the instructions)	5,334,935.	5,938,855.

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	5,302,906.
2	Enter amount from Part I, line 27a	2	433,563.
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	5,736,469.
5	Decreases not included in line 2 (itemize) ►	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	5,736,469.

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.)
1 a SEE SCHEDULE		P	VA/RI/OUS	12/02/2009
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 309,024.		435,132.	(126,108.)	
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			(126,108.)	
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	(126,108.)
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 the instructions). 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

 Yes NoWas 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 the instructions before making any entries

(a) Base period years Calendar year (or tax year beg. in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	102,500.	3,509,895.	0.0292
2007	104,000.	2,355,601.	0.0442
2006	94,938.	2,306,351.	0.0412
2005	98,967.	1,879,420.	0.0527
2004	79,110.	1,746,242.	0.0453
2 Total of line 1, column (d)			2 0.2126
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 0.0425
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5			4 4,040,353.
5 Multiply line 4 by line 3			5 171,715.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 1,854.
7 Add lines 5 and 6			7 173,569.
8 Enter qualifying distributions from Part XII, line 4			8 151,500.
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 the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> & enter "N/A" on line 1. Date of ruling or determination letter _____ (attach copy of letter if necessary - see instr.)	1	3,708.
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	2	0
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)	3	3,708.
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0
3	Add lines 1 and 2	5	3,708.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	6	Credits/Payments
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	6a	2009 estimated tax payments and 2008 overpayment credited to 2009 3,500.
6	Credits/Payments	6b	Exempt foreign organizations - tax withheld at source
a	2009 estimated tax payments and 2008 overpayment credited to 2009 3,500.	6c	Tax paid with application for extension of time to file (Form 8868)
b	Exempt foreign organizations - tax withheld at source	6d	Backup withholding erroneously withheld
c	Tax paid with application for extension of time to file (Form 8868)	7	Total credits and payments. Add lines 6a through 6d 3,500.
d	Backup withholding erroneously withheld	8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached
7	Total credits and payments. Add lines 6a through 6d	9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed 208.
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	11	Enter the amount of line 10 to be Credited to 2010 estimated tax ► Refunded ► 11

Part VII-A Statements Regarding Activities

		Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a	X
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities	1b	X
1c	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. ► \$ _____ (2) On foundation managers. ► \$ _____		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► \$ _____		
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?	4b	X
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 the instructions) ► NY		
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 2009 or the taxable year beginning in 2009 (see instructions for Part XIV in instructions)? 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

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 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 ► WILLIAM S HEIN Located at ► 6500 MAIN STREET NY WILLIAMSVILLE	Telephone no ► 716-633-6500 ZIP+4 ► 14221-5854	
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	

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 checked="" type="checkbox"/>	Yes <input 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
1b	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 the instructions)? Organizations relying on a current notice regarding disaster assistance check here ►		
1c	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 2009?		
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 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009?	<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 the instructions)		
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 checked="" type="checkbox"/>	Yes <input type="checkbox"/> No
b	If "Yes," did it have excess business holdings in 2009 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 2009)		
3b			
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		
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 2009?		
4b			

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see 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 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 6b X

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, 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? 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 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 comp	(e) Expense account, other allowances
WILLIAM S HEIN 6500 MAIN STREET	DIRECTOR 3	0		
DIANE HEIN 6500 MAIN STREET	DIRECTOR 1	0		
WILLIAM C MORAN 6500 MAIN STREET	DIRECTOR 1	0		
JAMEY MORAN 6500 MAIN STREET	DIRECTOR 1	0		

2 Compensation of five highest-paid employees (other than those included on line 1 -see 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

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Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)
3 Five highest-paid independent contractors for professional services (see the instructions). 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 ►

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical info such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc		Expenses
1 THE FOUNDATION DID NOT ENGAGE IN THE DIRECT CONDUCT OF CHARITABLE ACTIVITIES		
2		
3		
4		

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2		Amount
1	NONE	
2		
All other program-related investments. See instructions		
3		
Total Add lines 1 through 3		►

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Part X Minimum Investment Return (All domestic foundations must complete this part Foreign foundations, see 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	3,966,725.
b Average of monthly cash balances	1b	135,156.
c Fair market value of all other assets (see the instructions)	1c	
d Total (add lines 1a, b, and c)	1d	4,101,881.

e Reduction claimed for blockage or other factors reported on lines 1a and 1c
(attach detailed explanation)

1e

2 Acquisition indebtedness applicable to line 1 assets	2	
3 Subtract line 2 from line 1d	3	4,101,881.
4 Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see the instructions)	4	61,528.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	4,040,353.
6 Minimum investment return. Enter 5% of line 5	6	202,018.

Part XI Distributable Amount (see 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	202,018.
2 a Tax on investment income for 2009 from Part VI, line 5	2a	3,708.
b Income tax for 2009. (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	3,708.
3 Distributable amount before adjustments Subtract line 2c from line 1	3	198,310.
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	198,310.
6 Deduction from distributable amount (see the instructions)	6	
7 Distributable amount as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	198,310.

Part XII Qualifying Distributions (see the instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes	1a	151,500.
a Expenses, contributions, gifts, etc.-total from Part I, column (d), line 26	1b	
b Program-related investments-total from Part IX-B	2	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	3a	
3 Amounts set aside for specific charitable projects that satisfy the	3b	
a Suitability test (prior IRS approval required)	4	151,500.
b Cash distribution test (attach the required schedule)	5	
4 Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	6	151,500.
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 the instructions)		
6 Adjusted qualifying distributions. Subtract line 5 from line 4		

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 the instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				198,310.
2 Undistributed income, if any, as of the end of 2009			147,671.	
a Enter amount for 2008 only				
b Total for prior yrs. 20 20 , 20				
3 Excess distribs. carryover, if any, to 2009				
a From 2004 ...				
b From 2005 ...				
c From 2006 ...				
d From 2007 ...				
e From 2008 ...				
f Total of lines 3a through e				
4 Qualifying distributions for 2009 from Part XII, line 4.► \$ 151,500.			147,671.	
a Applied to 2008, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see the instr)				
c Treated as distributions out of corpus (Election required - see the instructions)				
d Applied to 2009 distributable amount				3,829.
e Remaining amt distributed out of corpus				
5 Excess distribs. carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in col (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, & 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
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				
d Subtract line 6c from line 6b Taxable amount - see the instructions				
e Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount - see the instructions				
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				194,481.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see the instructions)				
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see the instructions)..				
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009				

Part XIV Private Operating Foundations (see 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 2009, enter the date of the ruling. ►			
1b	Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)			
2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed			
2b	85% of line 2a			
2c	Qualifying distributions from Part XII, line 4 for each year listed			
2d	Amounts included in line 2c not used directly for active conduct of exempt activities			
2e	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			
3a	"Assets" alternative test - enter (1) Value of all assets (2) Value of assets qualifying under section 4942(j)(3)(B)(i)			
3b	"Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed			
3c	"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).)

WILLIAM S HEIN

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 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

WILLIAM S HEIN 716-882-2600 1285 MAIN ST BUFFALO NY 14209

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

WRITTEN GRANT REQUESTS ONLY

c Any submission deadlines:

OCTOBER 15TH

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors
NONE

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year SEE SCHE				151,500.
Total				► 3a 151,500.
b Approved for future payment				
Total				► 3b

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) Related or exempt function income (See the instructions)
	(a) Business code	(b) Amount	(c) Excl. code	(d) Amount	
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					
4 Dividends and interest from securities			14	193,892.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental inc or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			14	(126,108.)	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a S CORPORATION					
b WILLIAM S HEIN CO	511130	314,201.			
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		314,201.		67,784.	
13 Total Add line 12, columns (b), (d), and (e)					13 381,985.

(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) (See the instructions)
12	NOT APPLICABLE

Part XVII **Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations**

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?	Yes	No
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.		

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.

With Kind

3/25/10

DIRECTOR

Signature of officer or trustee

Date

Title

Signature of officer or trustee		Date	Title	
Paid Preparer's Use Only	Preparer's signature	3/22/10	Check if self-employed ► <input type="checkbox"/>	Preparer's ID number (see Signature in the instructions.) P00244493
	Firm's name (or yours if self-employed), address, and ZIP code		EIN ► 16-1428727 Phone no 716-633-6500	
WILLIAM C MORAN & ASSOC, PC 6500 MAIN ST SUITE 5 WILLIAMSVILLE NY 14221-				

Form 990-PF (2009)

► Attach to Form 990, 990-EZ, and 990-PF.

2009

Name of the organization

WILLIAM AND DIANE HEIN FOUNDATION

Employer identification number
16-1484562

Organization type (check one).

Filers of:

Section:

Form 990 or 990-EZ

501(c)() (enter number) organization

4947(a)(1) nonexempt charitable trust not treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

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

General Rule

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

Special Rules

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on Form 990, Part VIII, line 1h or 2% of the amount on Form 990-EZ, line 1 Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000 (If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year) ► \$ _____

Caution. Organization that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they must answer "No" on Part IV, line 2 of their Form 990, or check the box in the heading of their Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule B (Form 990, 990-EZ, or 990-PF) (2009)

These instructions will be issued separately.

Name of organization

WILLIAM AND DIANE HEIN FOUNDATION

Employer identification number
16-1484562**Part I** **Contributors (see instructions)**

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	WILLIAM S HEIN 6500 MAIN ST SUITE 5 WILLIAMSVILLE NY 14221-	\$ 509, 990.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

Name of organization

WILLIAM AND DIANE HEIN FOUNDATION

Employer identification number

16-1484562

Part II Noncash Property (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	10 SHARES OF WILLIAM S HEIN CO NON-VOTING COMMON STOCK	\$ 9,990.	01/01/2009
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	

William and Diane Hein Foundation
EIN 16-1484562
Form 990-PF
2009
Schedule B

Part I, line 1

Contributions

Contributor	Amount	Description
William S. Hein	\$ 500,000.00	cash
	\$9,990.22	donation of stock of William S. Hein Co., Inc.
TOTAL	<u>\$509,990.22</u>	

Detail Sheet

2009

Name: WILLIAM AND DIANE HEIN FOUNDATION

ID: 16-1484562

Description: PAGE 12 - INTEREST AND DIVIDEND INCOME

William S. Hein Foundation
EIN 16-1484562
Form 990-PF
2009
Part I, Line 6

Net Gain/Loss from Sale of Assets Not on Line 10

Description	Date Acquired	Date Sold	Sales Price	Cost	Net Gain (Loss)
CIT Group Inc Internotes 5 85% 3/15/22	3/1/07	12/2/09	\$124,505 00	\$185,000 00	(\$60,495 00)
CIT Group Inc Internotes 6% 12/15/21	12/7/06	12/2/09	\$100,890 00	\$150,000 00	(\$49,110.00)
CIT Group Inc Internotes Bk 6.25% 3/15/2013	3/27/03	12/2/09	\$33,530 00	\$50,000 00	(\$16,470.00)
Daimler Chrysler N Amer HL 7 2% 9/1/2009	5/9/01	9/1/09	\$50,000 00	\$50,000 00	\$0 00
13.344 shares Eaton Vance Classic Senior Float Rate Fund C	Various	4/7/09	\$97 89	\$132.19	(\$34 30)
Totals			\$309,022.89	\$435,132.19	(\$126,109.30)

Detail Sheet

2009

Name: WILLIAM AND DIANE HEIN FOUNDATION

ID: 16-1484562

Description: GAIN LOSS OTHER THAN LINE 10

Detail Sheet

2009

Name: WILLIAM AND DIANE HEIN FOUNDATION

ID: 16-1484562

Description: PAGE 1, LINE 11 - OTHER INCOME

William and Diane Hein Foundation
EIN 16-1484562
Form 990-PF
2009

Part I, Line 18 - Taxes - Cash Basis

Description	Amount	Subtotals
Form 990-PF		
Estimated Tax Payments	\$3,500.00	
Balance Due from Prior Year	<u>\$992.00</u>	
		\$4,492.00
Form 990-T		
Estimated Tax Payments	\$130,400.00	
Balance Due from Prior Year	<u>\$103,682.00</u>	
		\$234,082.00
New York Form CT-13		
Estimated Tax Payments	\$0.00	
Balance Due from Prior Year	<u>\$27,759.00</u>	
		\$27,759.00
Real Property Taxes		<u>\$2,464.09</u>
Total - To Part 1, Line 18		<hr/> <u>\$268,797.09</u>

Detail Sheet

2009

Name: WILLIAM AND DIANE HEIN FOUNDATION

ID: 16-1484562

Description: PAGE 1 - OTHER EXPENSES

William and Diane Hein Foundation

EIN 16-1484562

Form 990-PF

2009

Part II, Line 10 - Investments - End of Year

Description	Book Value	Fair Market Value	Date Acquired
Line 10a - U.S. Government Obligations			
Fed Home Ln Mtg Corp 5 0% 3/15/2024	\$150,000 00	\$143,448 00	3/25/04
Fed Home Ln Mtg Corp 5 0% 4/15/2024	\$50,000 00	\$47,777 00	4/1/04
Fed Home Ln Mtg Mltm Term Notes 5 4% 3/15/2027	\$150,000 00	\$142,611 00	3/12/07
Fed Natl Mtg Assn Deb 6 25% 5/15/2029	\$154,934 74	\$171,516 00	1/31/02
Total U.S. Government Obligations	\$504,934.74	\$505,352.00	
Line 10a - State and Local Obligations			
Camden, NY Central School District 4 0% 3/15/23	\$250,111 11	\$256,360 00	3/10/09
Nassau Cnty NY Taxable-Ser I-Build Amer 6 15% 10/01/30	\$127,100 00	\$123,561 25	12/7/09
New York Dorm Auth Revs NonSt 5 0% 10/01/24	\$100,000 00	\$107,159 00	3/13/09
New York NY City Hsg Dev Corp Multifamily 4 25% 11/01/24	\$151,833 33	\$150,969 00	9/30/09
New York St Ser A 5 0% 2/15/34	\$150,225 00	\$156,810 00	3/13/09
Port Jervis, NY Var Pupr 4 3% 9/15/24	\$50,011 94	\$47,676 00	9/10/09
Rush Henrietta NY Cent Sch Dist 4 5% 06/15/26	\$100,000 00	\$102,775 00	1/26/09
Total State and Local Obligations	\$929,281.38	\$945,310.25	
Total - Line 10a	\$1,434,216.12	\$1,450,662.25	
Line 10b - Corporate Stock			
William S Hein & Co , Inc - 297 shares	\$401,084 99	\$700,471 53	Various
Total - Line 10b	\$401,084.99	\$700,471.53	
Line 10c - Corporate Bonds			
Bank Amer Corp Sub Internotes 5 6% 3/15/2028	\$150,000 00	\$132,186 00	3/6/03
Bank Amer Corp Sub Internotes 6 0% 2/15/37	\$150,000 00	\$137,359 50	2/5/07
Bank New York Mellon Corp Sub Corenotes 5 95% 06/15/33	\$300,000 00	\$281,877 00	5/30/08
Caterpillar Finl Svcs Corp Powernotes 5 5% 03/15/28	\$250,000 00	\$228,075 00	3/24/08
Coca Cola Enterprises Inc Deb 6 75% 9/15/2023	\$100,000 00	\$109,977 00	5/9/01
Discover Bank Greenwood DE 5% 10/01/13	\$100,000 00	\$106,919 00	9/23/08
Gen Elec Cap Corp Internotes 6% 01/15/38	\$300,000 00	\$289,467 00	1/8/08
Gen Mtrs Accep Corp Smartnotes 7 25% 9/15/2017	\$105,000 00	\$76,800 15	9/17/02
General Elec Cap Corp Internotes 5 3% 03/15/34	\$200,000 00	\$179,080 00	3/17/05
General Elec Co Global NT 5 0% 2/1/2013	\$50,000 00	\$52,898 00	2/18/03
Goldman Sachs Group Inc Medium Term Nts 7 25% 9/15/17	\$125,000 00	\$117,983 75	12/7/09
HSBC Fin Corp Internotes 6% 04/15/13	\$285,000 00	\$293,769 45	3/31/08
Lehman Bros Holdings NTS 6 5% 01/17/33	\$300,000 00	\$58,500 00	1/10/08
Lehman Bros Holdings NTS 6 5% 02/28/23	\$150,000 00	\$29,250 00	2/21/08
Morgan Stanley BK Wst Valley City 5 05% 10/08/13	\$50,000 00	\$53,553 50	9/13/08
Total - Line 10c	\$2,615,000.00	\$2,147,695.35	

William and Diane Hein Foundation
EIN 16-1484562
Form 990-PF
2009

Land, Buildings and Equipment
Page 2, Line 14

Description	Cost or Basis	Accumulated Depreciation	Book Value	Fair Market Value
Building - 327 N Ellicott Creek Road Amherst, New York	\$650,000.00	\$130,000.00	\$520,000.00	\$520,000.00
Building - 5830 Main Street Williamsville, New York	\$813,097.07	\$71,146.00	\$741,951.07	\$741,951.07
Unit 421 II Ellicottville, New York Real Property	\$202,332.48	\$421.53	\$201,910.95	\$201,910.95
Above Buildings Are Provided Without Rent Charge to Exempt Organizations				
Totals	\$1,665,429.55	\$201,567.53	\$1,463,862.02	\$1,463,862.02

Loans From Officers, Directors, Trustees, and Other Disqualified

US 990-PF

Persons as of Year End 990-PF: Page 2, Line 20

2009

Lender's name	WILLIAM S HEIN	
Title	DIRECTOR	
Original amount of note		202,386.
Balance due		202,386.
Date of note		12/2009
Maturity date		11/2010
Repayment terms	NO INTEREST, BALANCE DUE NOVEMBER 30, 2010	
Interest rate		
Security	NONE	
Purpose of loan	TO ACQUIRE REAL PROPERTY FOR EXEMPT PURPOSES	
Lender consideration	CASH	
FMV consideration		202,386.

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USSTX631

William and Diane Hein Foundation
EIN 16-1484562
Form 990-PF
2009

Schedule of Monthly Balances of Investment Income and Cash

Part X

	Securities	Checking
January	\$3,367,267.91	\$124,318.24
February	\$3,287,230.17	\$161,250.00
March	\$3,533,990.21	\$294,097.02
April	\$3,812,025.43	\$60,817.56
May	\$4,003,138.63	\$68,564.44
June	\$4,103,058.63	\$48,704.82
July	\$4,138,142.93	\$56,664.20
August	\$4,212,691.28	\$64,515.25
September	\$4,135,012.88	\$288,551.88
October	\$4,313,496.18	\$153,850.74
November	\$4,395,817.83	\$162,628.87
December	<u>\$4,298,829.13</u>	<u>\$137,908.23</u>
Total	\$47,600,701.21	\$1,621,871.25
Average	<u>\$3,966,725.10</u>	<u>\$135,155.94</u>

William and Diane Hein Foundation
EIN 16-1484562
Form 990-PF
2009

Part XV: Grants and Contributions

Donee Name	Address	Status	Purpose	Amount
Prince of Peace Christian Church	P.O. Box 932 Buffalo, NY 14205	Public	Religious	\$8,000 00
Hearts for the Homeless	P O Box 437 Buffalo, NY 14223	Public	Charitable	\$4,000 00
Gordon College	255 Grapevine Road Wenham, MA 01984-1899	Public	Charitable	\$4,000 00
International Friendships, Inc	P O Box 82416 Columbus, OH 43202	Public	Charitable	\$5,000 00
Jericho Road Ministries	184 Barton Street Buffalo, NY 14213	Public	Charitable	\$6,000 00
Athletes in Action	54 Crownview Terrace Hamburg, NY 14075	Public	Charitable	\$4,000 00
Hunters Hope Foundation, Inc	3859 N. Buffalo St P O. Box 643 Orchard Park, NY 14127	Public	Charitable	\$6,000 00
Ilio DiPaolo Scholarship Fund, Inc	3785 S Park Avenue Blasdell, NY 14219	Public	Charitable	\$3,000 00
Sonrays Ministries	327 N Ellicott Creek Rd. Amherst, NY 14228	Public	Religious	\$5,000 00
Kingdom Bound Ministries	8550 Sheridan Dr Williamsville, NY 14221	Public	Religious	\$5,000 00
Operation Blessing International	977 Centerville Turnpike Virginia Beach, VA 23463	Public	Charitable	\$2,000 00
Christian Counseling Ministries	Houghton College Campus 901 Union Road West Seneca, NY 14224	Public	Religious	\$4,000 00
Christian Central Academy	39 Academy Williamsville, NY 14221	Public	Religious	\$3,500 00
Wycliffe Bible Translators	PO Box 628211 Orlando, FL 32862-8211	Public	Charitable	\$4,500 00
City Mission	100 East Tupper Street Buffalo, NY 14203	Public	Charitable	\$2,000 00
Harvest House of South Buffalo, Inc d/b/a Good Neighbors Health Center	1782 Seneca Street Buffalo, NY 14210-1895	Public	Charitable	\$5,000 00

NCCC Wrestling	3111 Saunders Settlement Road Sanborn, NY 14132	Public	Charitable Educational	\$3,000 00
Cross Training Football	191 Willow Green Drive West Amherst, NY 14228	Public	Charitable	\$6,500 00
Operation Serve International	PO Box 18070 Fairfield OH 45018-0070	Public	Charitable	\$3,500 00
Compassion International	PO Box 6500 Colorado Springs, CO 80962-9951	Public	Chantable	\$3,500 00
Score International	P O Box 9994 Chattanooga, TN 37412	Public	Charitable	\$5,000 00
Super Six Wrestling	University at Buffalo 66 Alumni Arena Buffalo, NY 14260	Public	Charitable	\$2,000 00
Engineering Ministries Internation	130 E. Kiowa St. #200 Colorado Springs, CO 80903	Public	Charitable	\$5,000 00
Hospice Foundation	225 Como Park Blvd Cheektowaga, NY 14227	Public	Charitable	\$1,000 00
Love in Action Partners, Inc.	PO Box 16258 San Diego, CA 92176	Public	Chantable	\$3,500 00
Cornerstone	150 East North Street Buffalo, NY 14203	Public	Charitable	\$2,000.00
Buffalo Christian	512 Pearl Street Buffalo, NY 14202	Public	Charitable	\$3,500 00
University at Buffalo Wrestling	University at Buffalo 66 Alumni Arena Buffalo, NY 14260	Public	Charitable	\$3,000 00
Houghton College	One Willard Avenue Houghton, NY 14744	Public	Educational	\$5,000 00
Fellowship of Christian Athletes	2905 Staley Road Grand Island, NY 14072	Public	Chantable	\$4,000 00
Buffalo Dream Center	Attn Pastor Eric Johns PO Box 394 Buffalo, NY 14201-0934	Public	Charitable	\$3,000 00
Youth Advantage	c/o Wellness Institute 65 Niagara Street Buffalo, NY 14201-0934	Public	Chantable	\$4,000 00
Billy Graham Training Center	1 Billy Graham Parkway Charlotte, NC 28201-0001	Public	Charitable	\$5,000.00
Gliding Stars (Adaptive Ice Skating Programs)	PO Box 1862 Amherst, NY 14226-7862	Public	Chantable	\$2,500 00

Living Waters Ministries, Inc (Circle "C" Ranch)	10451 Ashcraft Road Delevan, NY 14042-9664	Public	Charitable	\$8,000 00
Burchfield Penney Art Museum	1300 Elmwood Ave Buffalo, NY 14222	Public	Educational	\$3,000 00
Life Without Limbs	PO Box 2430 Agoura Hills, CA 91376	Public	Charitable	\$2,000 00
Oppose	610 Ashland Avenue Buffalo, NY 14222	Public	Charitable	\$2,000 00
Shakespeare in the Park	PO Box 716 Buffalo, NY 14205-0716	Public	Charitable	\$500 00
Total				<u>\$151,500.00</u>

Depreciation and Amortization
(Including Information on Listed Property)

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

2009

Name(s) shown on return

WILLIAM AND DIANE HEIN FOUNDAT

Business or activity to which this form relates

WILLIAM S HEIN CO, INC

Identifying number

16-1484562

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I

1 Maximum amount See the instructions for a higher limit for certain businesses	1	250,000.
2 Total cost of section 179 property placed in service (see instructions)	2	3,770.
3 Threshold cost of section 179 property before reduction in limitation (see instructions)	3	800,000.
4 Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0- If married filing separately, see instructions	5	250,000.

(a) Description of property	(b) Cost (business use only)	(c) Elected cost
2009 EQUIPMENT	3,770.	3,770.

7 Listed property Enter the amount from line 29	7	
8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	3,770.
9 Tentative deduction Enter the smaller of line 5 or line 8.	9	3,770.
10 Carryover of disallowed deduction from line 13 of your 2008 Form 4562	10	
11 Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	250,000.
12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	3,770.
13 Carryover of disallowed deduction to 2010 Add lines 9 and 10, less line 12 ►	13	

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

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property) (See instructions)

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

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

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2009	17	
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18 If you are electing to group any assets placed in service during the tax year

into one or more general asset accounts, check here ►

Section B-Assets Placed in Service During 2009 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depr (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs.	MM	S/L	
i Nonresidential real property			27.5 yrs	MM	S/L	
			39 yrs.	MM	S/L	
				MM	S/L	

Section C-Assets Placed in Service During 2009 Tax Year Using the Alternative Depreciation System

20a Class life				S/L	
b 12-year		12 yrs		S/L	
c 40-year		40 yrs.	MM	S/L	

Part IV Summary (See instructions)

21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	22	3,770.
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

2009 ASSET DETAIL REPORT

Form **8844**Department of the Treasury
Internal Revenue Service**Empowerment Zone and Renewal
Community Employment Credit**

► Attach to your tax return.

OMB No 1545-1444

2009Attachment
Sequence No **99**

Name(s) shown on return

WILLIAM AND DIANE HEIN FOUNDATION

Identifying number

16-1484562

1	Enter the total qualified wages paid or incurred during calendar year 2009 only (see instructions)	
a	Qualified empowerment zone wages	\$ _____ X 20% (.20)
b	Qualified renewal community wages	\$ _____ X 15% (.15)
2	Add lines 1a and 1b See instructions for the adjustment you must make to salaries and wages	
3	Employment zone and renewable community employment credit from partnerships, S corporations, cooperatives, estates, and trusts	
4	Add lines 2 and 3 Partnerships and S corporations, report this amount on Schedule K; all others, go to line 5	
5	Empowerment zone and renewal community employment credit included on line 4 from passive activities (see instructions)	
6	Subtract line 5 from line 4	
7	Passive activity credit allowed for 2009 (see instructions)	
8	Carryforward of empowerment zone and renewal community employment credit to 2009	
9	Carryback of empowerment zone and renewal community employment credit from 2010 (see instructions)	
10	Add lines 6 through 9 Cooperatives, estates, and trusts, go to line 11 All others, report this amount on Form 3800, line 24	
11	Amount allocated to the patrons of the cooperative or the beneficiaries of the estate or trust (see instructions)	
12	Cooperatives, estates, and trusts. Subtract line 11 from line 10 Report this amount on Form 3800, line 24	

For Paperwork Reduction Act Notice, see instructions.

Form **8844** (2009)

Domestic Production Activities Deduction

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

2009

Attachment
Sequence No 143

Name(s) as shown on return

WILLIAM AND DIANE HEIN FOUNDATION

Identifying number
16-1484562

1	Domestic production gross receipts (DPGR)	1
2	Allocable cost of goods sold. If you are using the small business simplified overall method, skip lines 2 and 3	2
3	Enter deductions and losses allocable to DPGR. All others, see instructions	3
4	If you are using the small business simplified overall method, enter the amount of cost of goods sold and other deductions or losses you ratably apportion to DPGR. All others, skip line 4	4
5	Add lines 2 through 4	5
6	Subtract line 5 from line 1	6
7	Qualified production activities income from estates, trusts, and certain partnerships and S corporations (see instr)	7 246,811.
8	Add lines 6 and 7 Estates and trusts, go to line 9, all others, skip line 9 and go to line 10	8 246,811.
9	Amount allocated to beneficiaries of the estate or trust (see instructions)	9
10	Qualified production activities income. Estates and trusts, subtract line 9 from line 8, all others, enter amount from line 8. If zero or less, enter -0- here, skip lines 11 through 19, and enter -0- on line 20	10 246,811.
11	Income limitation (see instructions): • Individuals, estates, and trusts Enter your adjusted gross income figured without the domestic production activities deduction • All others Enter your taxable income figured without the domestic production activities deduction (tax-exempt organizations, see instructions)	11 299,464.
12	Enter the smaller of line 10 or line 11 If zero or less, enter -0- here, skip lines 13 through 19, and enter -0- on line 20	12 246,811.
13	Enter 6% of line 12	13 14,809.
14	Form W-2 wages (see instructions)	14
15	Form W-2 wages from estates, trusts, and certain partnerships and S corporations (see instructions)	15 253,434.
16	Add lines 14 and 15 Estates and trusts, go to line 17, all others, skip line 17 and go to line 18	16 253,434.
17	Amount allocated to beneficiaries of the estate or trust (see instructions)	17
18	Estates and trusts, subtract line 17 from line 16, all others, enter amount from line 16	18 253,434.
19	Form W-2 wage limitation Enter 50% of line 18	19 126,717.
20	Enter the smaller of line 13 or line 19	20 14,809.
21	Domestic production activities deduction from cooperatives. Enter deduction from Form 1099-PATR, box 6	21
22	Expanded affiliated group allocation (see instructions)	22
23	Domestic production activities deduction. Combine lines 20 through 22 and enter the result here and on Form 1040, line 35, Form 1120, line 25, or the applicable line of your return	23 14,809.

For Paperwork Reduction Act Notice, see separate instructions.

Form 8903 (2009)