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

2009

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

For calendar year 2009, or tax year beginning MAY 15, 2009 , and ending DEC 31, 2009					
G Check all that apply: <input checked="" 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 THE JB & KATHRYN SALLAS CHARITABLE FOUNDATION	A Employer identification number 26-3907247			
	Number and street (or P O box number if mail is not delivered to street address) PO BOX 1087	Room/suite			
	City or town, state, and ZIP code CROCKETT, TX 75835	B Telephone number 936-544-2627			
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		C If exemption application is pending, check here ► <input type="checkbox"/> D 1. Foreign organizations, check here ► <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation ► <input type="checkbox"/>			
I Fair market value of all assets at end of year ► \$ 2,042,964. (Part I, column (d) must be on cash basis.)		E If private foundation status was terminated under section 507(b)(1)(A), check here ► <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► <input type="checkbox"/>			
Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
SCANNED OCT 26 2010 Revenue Operating and Administrative Expenses	1 Contributions, gifts, grants, etc., received	1,993,299.		N/A	
	2 Check ► <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	15,322.	3,606.		STATEMENT 1
	4 Dividends and interest from securities	10,012.	9,858.		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	150,969.			
	7 Capital gain net income (from Part IV, line 2)		7,809.		
	8 Net short-term capital gain			7,809.	
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income				
	12 Total Add lines 1 through 11	2,026,442.	21,273.		2,364.
	13 Compensation of officers, directors, trustees, etc	4,725.	2,361.		
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees	STMT 3	3,250.	1,750.	1,500.
	c Other professional fees				
	17 Interest				
	18 Taxes	STMT 4	806.	606.	0.
	19 Depreciation and depletion				
	20 Occupancy				
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses	STMT 5	1,674.	1,674.	0.	
24 Total operating and administrative expenses Add lines 13 through 23		10,455.	6,391.	3,864.	
25 Contributions, gifts, grants paid		52,116.		52,116.	
26 Total expenses and disbursements. Add lines 24 and 25		62,571.	6,391.	55,980.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		1,963,871.			
b Net investment income (if negative, enter -0-)			14,882.		
c Adjusted net income (if negative, enter -0-)				N/A	

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Assets	Part II Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only	Beginning of year	End of year
			(a) Book Value	(b) Book Value
	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments			136,106.
	3 Accounts receivable ►			137,492.
	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 ► 0.			
	Less: allowance for doubtful accounts ►			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations STMT 6		0.	750,266.
	b Investments - corporate stock STMT 7		0.	22,223.
	c Investments - corporate bonds STMT 8		0.	122,792.
	11 Investments - land, buildings, and equipment basis ►			753,055.
	Less accumulated depreciation ►			24,582.
	12 Investments - mortgage loans			
	13 Investments - other STMT 9		0.	932,484.
	14 Land, buildings, and equipment basis ►			1,003,346.
	Less accumulated depreciation ►			
	15 Other assets (describe ►)			
	16 Total assets (to be completed by all filers)		0.	1,963,871.
	17 Accounts payable and accrued expenses			2,042,964.
	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.
	Foundations that follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds		0.	0.
	28 Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.
	29 Retained earnings, accumulated income, endowment, or other funds		0.	1,963,871.
	30 Total net assets or fund balances		0.	1,963,871.
	31 Total liabilities and net assets/fund balances		0.	1,963,871.

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	0.
2 Enter amount from Part I, line 27a	2	1,963,871.
3 Other increases not included in line 2 (itemize) ►	3	0.
4 Add lines 1, 2, and 3	4	1,963,871.
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	1,963,871.

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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	SEE ATTACHED STATEMENT				
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	150,969.		143,160.	7,809.	
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			
a					
b					
c					
d					
e				7,809.	
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	7,809.
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	N/A

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

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

N/A

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))
2008			
2007			
2006			
2005			
2004			

2 Total of line 1, column (d)

2

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

4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5

4

5 Multiply line 4 by line 3

5

6 Enter 1% of net investment income (1% of Part I, line 27b)

6

7 Add lines 5 and 6

7

8 Enter qualifying distributions from Part XII, line 4

8

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.

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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 ► <input type="checkbox"/> and enter "N/A" on line 1.	Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)	1	298.
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			
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	298.
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	298.
6	Credits/Payments:			
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	200.	
b	Exempt foreign organizations - tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c	650.	
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments. Add lines 6a through 6d	7		850.
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> 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		552.
11	Enter the amount of line 10 to be: Credited to 2010 estimated tax ►	552.	Refunded	► 11 0.

Part VII-A Statements Regarding Activities

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

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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)

12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?

13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?

Website address ► N/A

14 The books are in care of ► **JAN MAIDEN** Telephone no. ► **936-544-2627**
Located at ► **PO BOX 1087, CROCKETT, TX** ZIP+4 ► **75835**

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 0

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.

<p>1a During the year did the foundation (either directly or indirectly):</p> <p>(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(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</p> <p>(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</p>	<p>b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/></p>
<p>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 2009?</p>	
<p>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)):</p>	
<p>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</p> <p>If "Yes," list the years ► _____, _____, _____, _____</p>	
<p>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</p>	
<p>c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.</p> <p>► _____, _____, _____, _____</p>	
<p>3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
<p>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.) N/A</p>	
<p>4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? 3b</p>	
<p>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? 4a</p>	
<p>4b</p>	

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))?
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?
- (3) Provide a grant to an individual for travel, study, or other similar purposes?
- (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)?
- (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
 Yes No
 Yes No
 Yes No
 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
►

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?

If "Yes" to 6b, file Form 8870

Yes No

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

Yes No

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

Yes No

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
JAN MAIDEN 1256 FM 2076	TRUSTEE 2.00	1,575.	0.	0.
CROCKETT, TX 75835				
KATHY E. MILLER 813 FM 230	TRUSTEE 2.00	1,575.	0.	0.
TRINITY, TX 75862				
WILSON NORRIS P.O. BOX 740	TRUSTEE 2.00	1,575.	0.	0.
CROCKETT, TX 75835				

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

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

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

►

0

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

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

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

►

0**Part IX-A** Summary of Direct Charitable Activities

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

Expenses

1	N/A	
2		
3		
4		

Part IX-B Summary of Program-Related Investments

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

Amount

1	N/A	
2		

All other program-related investments. See instructions.

3		

Total. Add lines 1 through 3► **0.**

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	935,339.
b	Average of monthly cash balances	1b	250,986.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	1,186,325.
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	1,186,325.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	17,795.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,168,530.
6	Minimum investment return Enter 5% of line 5 ADJUSTED FOR SHORT TAX PERIOD	6	36,977.

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	36,977.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	298.
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	298.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	36,679.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	36,679.
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	36,679.

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	55,980.
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	55,980.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	55,980.

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 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				36,679.
2 Undistributed income, if any, as of the end of 2009			0.	
a Enter amount for 2008 only				
b Total for prior years:		0.		
3 Excess distributions 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	0.			
4 Qualifying distributions for 2009 from Part XII, line 4: ► \$ 55,980.			0.	
a Applied to 2008, but not more than line 2a				
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 2009 distributable amount				36,679.
e Remaining amount distributed out of corpus	19,301.			
5 Excess distributions carryover applied to 2009 (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:	19,301.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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 2008. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				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 2004 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	19,301.			
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	19,301.			

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)				
<i>a Paid during the year</i>				
SEE STATEMENT 12				
Total			► 3a	52,116.
<i>b Approved for future payment</i>				
NONE				
Total			► 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		(e) Related or exempt function income
		(a) Business code	(b) 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				
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.	33,143.
13 Total. Add line 12, columns (b), (d), and (e)			13	33,143.
(See worksheet in line 13 instructions to verify calculations.)				

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

THE JB & KATHRYN SALLAS CHARITABLE FOUNDATION

Form 990-PF (2009)

FOUNDATION

26-3907247

Page 13

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?

a Transfers from the reporting foundation to a noncharitable exempt organization of:

- (1) Cash
- (2) Other assets

b Other transactions:

(1) Sales of assets to a noncharitable exempt organization

(2) Purchases of assets from a noncharitable exempt organization

(3) Rental of facilities, equipment, or other assets

(4) Reimbursement arrangements

(5) Loans or loan guarantees

(6) Performance of services or membership or fundraising solicitations

Sharing of facilities, equipment, mailing lists, other assets, or paid employees

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
N/A		

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

Signature of officer or trustee		Date	Title		
Sign Here Paid Preparer's Use Only	Preparer's signature	Date 9-28-10		Check if self- employed	Preparer's identifying number
	Firm's name (or yours if self-employed), address, and ZIP code		EIN	Phone no. (903) 597-6311	
james R. Allen C.P.A.		HENRY & PETERS, P. C. 3310 S. BROADWAY, SUITE 100 TYLER TX 75701			

Form 990-PF (2009)

923622
02-02-10

Schedule B
(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

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

OMB No. 1545-0047

2009**Name of the organization****THE JB & KATHRYN SALLAS CHARITABLE
FOUNDATION****Employer identification number****26-3907247****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 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 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 (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions 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 990-EZ that received from any one contributor, during the year, 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. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

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

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

Name of organization

THE JB & KATHRYN SALLAS CHARITABLE FOUNDATION

Employer identification number

26-3907247

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	ESTATE OF VADA KATHRYN NORMAN SALLAS 813 FM 230 TRINITY, TX 75862	\$ 1,993,299.	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input checked="" type="checkbox"/> Noncash <small>(Complete Part II if there is a noncash contribution.)</small>
		\$ _____	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II if there is a noncash contribution.)</small>
		\$ _____	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II if there is a noncash contribution.)</small>
		\$ _____	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II if there is a noncash contribution.)</small>
		\$ _____	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II if there is a noncash contribution.)</small>
		\$ _____	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II if there is a noncash contribution.)</small>
		\$ _____	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II if there is a noncash contribution.)</small>
		\$ _____	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II if there is a noncash contribution.)</small>
		\$ _____	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II if there is a noncash contribution.)</small>

Name of organization

THE JB & KATHRYN SALLAS CHARITABLE FOUNDATION

Employer identification number

26-3907247

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	<u>SEE SCHEDULE ATTACHED</u>	\$ 832,706.	VARIOUS
		\$	
		\$	
		\$	
			\$

THE JB & KATHRYN SALLAS CHARITABLE FOUND

26-3907247

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

SOURCE	AMOUNT
EDWARD JONES	15,322.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	15,322.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
EDWARD JONES	5,209.	0.	5,209.
EDWARD JONES	4,804.	1.	4,803.
TOTAL TO FM 990-PF, PART I, LN 4	10,013.	1.	10,012.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
	3,250.	1,750.		1,500.
TO FORM 990-PF, PG 1, LN 16B	3,250.	1,750.		1,500.

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES PAID	130.	130.		0.
MISC	476.	476.		0.
2009 ESTIMATED TAX PAYMENT	200.	0.		0.
TO FORM 990-PF, PG 1, LN 18	806.	606.		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
ADMINISTRATIVE EXP	144.	144.		0.
INVESTMENT FEES	1,521.	1,521.		0.
CHECK ORDER	9.	9.		0.
TO FORM 990-PF, PG 1, LN 23	1,674.	1,674.		0.

FORM 990-PF

U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS

STATEMENT 6

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
MUNICIPAL BONDS		X	750,266.	753,055.
TOTAL U.S. GOVERNMENT OBLIGATIONS				
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS			750,266.	753,055.
TOTAL TO FORM 990-PF, PART II, LINE 10A			750,266.	753,055.

FORM 990-PF

CORPORATE STOCK

STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCK	22,223.	24,582.
TOTAL TO FORM 990-PF, PART II, LINE 10B	22,223.	24,582.

FORM 990-PF

CORPORATE BONDS

STATEMENT 8

DESCRIPTION

FAIR MARKET
BOOK VALUE VALUE

CORPORATE BONDS

122,792. 124,489.

TOTAL TO FORM 990-PF, PART II, LINE 10C

122,792. 124,489.

FORM 990-PF

OTHER INVESTMENTS

STATEMENT 9

DESCRIPTION

VALUATION
METHODFAIR MARKET
BOOK VALUE VALUE

MUTUAL FUNDS

COST 821,776. 892,650.

UNIT TRUSTS

COST 110,708. 110,696.

TOTAL TO FORM 990-PF, PART II, LINE 13

932,484. 1,003,346.

FORM 990-PF

LIST OF SUBSTANTIAL CONTRIBUTORS
PART VII-A, LINE 10

STATEMENT 10

NAME OF CONTRIBUTOR

ADDRESS

ESTATE OF VADA KATHRYN NORMAN
SALLAS

813 FM 230

TRINITY, TX 75862

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION
PART XV, LINES 2A THROUGH 2D

STATEMENT 11

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

JAN MAIDEN, TRUSTEE
PO BOX 1087
CROCKETT, TX 75835

TELEPHONE NUMBER

936-544-2627

FORM AND CONTENT OF APPLICATIONS

APPLICATIONS SHOULD BE MADE IN WRITING WITH A COPY OF THE ORGANIZATION'S DETERMINATION LETTER FOR SEC. 501(C)(3) STATUS.

ANY SUBMISSION DEADLINES

RESTRICTIONS AND LIMITATIONS ON AWARDS

THE PHILOSOPHY OF THE FOUNDATION IS TO ASSIST THE SCHOOLS, CHURCHES, LIBRARIES, HOSPITALS, ETC. IN CROCKETT AND HOUSTON COUNTY, TEXAS. TO HELP THE YOUNG PEOPLE IN CROCKETT AND HOUSTON COUNTY, TEXAS IN NOT ONLY GETTING AN EDUCATION BUT TO HELP THEM CREATE A "BALANCED LIFE" THAT DEVELOPS QUALITIES OF LEADERSHIP, MORALITY, AND CITIZENSHIP.

FORM 990-PF

GRANTS AND CONTRIBUTIONS
PAID DURING THE YEAR

STATEMENT 12

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
HOUSTON COUNTY S.H.A.R.E. INC PO BOX 1121 CROCKETT, TX 75835	N/A EMERGENCY MEDICAL CARE	PUBLIC CHARITY	2,000.
SAM HOUSTON STATE UNIVERSITY SCHOLARSHIP PO BOX 2537 HUNTSVILLE, TX 77341-2537	N/A SCHOLARSHIP	PUBLIC CHARITY	3,500.
FIRST BAPTIST CHURCH (SCHOLARSHIP) 801 E GOLIAD AVE CROCKETT, TX 75835	N/A SCHOLARSHIP	PUBLIC CHARITY	2,000.
MOORE, FRYE ECKLES MEMORIAL FUND PO BOX 1248 CROCKETT, TX 75835	N/A SCHOLARSHIP	PUBLIC CHARITY	4,872.
ANGELINA COLLEGE SCHOLARSHIP PO BOX 1768 LUFKIN, TX 75902-1768	N/A SCHOLARSHIP	PUBLIC CHARITY	6,000.
STEPHEN F AUSTIN STATE UNIVERSITY ALUMNI FOUNDATION PO BOX 6096 SFA STATION NACOGDOCHES, TX 75962-6096	N/A SCHOLARSHIP	PUBLIC CHARITY	3,500.
KALIN'S CENTER PO BOX 901 CROCKETT, TX 75835	N/A MEDICAL TREATMENT & EDUCATION PROGRAMS FOR CHILD ABUSE VICTIMS	PUBLIC CHARITY	8,000.
FIRST BAPTIST CHURCH 801 E GOLIAD AVE CROCKETT, TX 75835	N/A EQUIPMENT & FURNISHINGS	PUBLIC CHARITY	3,000.

THE JB & KATHRYN SALLAS CHARITABLE FOUND

26-3907247

SERVICE CENTER FOR OLDER AMERICANS OF HOUSTON COUNTY PO BOX 1460	N/A EQUIPMENT	PUBLIC CHARITY	9,100.
PLEASANT GROVE BAPTIST CHURCH PO BOX 529	N/A BUILDING FUND	PUBLIC CHARITY	10,000.
MONROE CROOK HOUSE PO BOX 1251	N/A HISTORICAL HOUSE PRESERVATION & MAINTENANCE	PUBLIC CHARITY	144.
TOTAL TO FORM 990-PF, PART XV, LINE 3A			52,116.

Other Activity Date	Activity	Quantity	Notes	Estimated Value
10/28	RECEIVED	742.	VERIZON COMMUNICATIONS	\$22,222.90
10/28	RECEIVED	100.	VK INVS QUALITY MUN TR 109	99,645.00
10/28	RECEIVED	10000.	MASSACHUSETTS STATE COLLEGE	9,771.30
10/28	RECEIVED	50000.	MATAGORDA COUNTY TX NAV DIST	48,249.50
10/28	RECEIVED	35000.	HARRIS CNTY TX HLTH FAC REV	34,932.45
10/28	RECEIVED	10000.	NORTH EAST INDPT SCH TX UNREF	10,056.00
10/28	RECEIVED	10000.	DUE 05/15/2029 5.250	11,216.50
10/28	RECEIVED	4,750	NORTH EAST INDPT SCH TX PRREF	39,044.80
10/28	RECEIVED	4,750	DUE 01/01/2034 4.750	42,770.80
10/28	RECEIVED	40000.	JUDSON TX INDPT SCH DIST GO	41,396.40
10/28	RECEIVED	40000.	DUE 02/01/2035 4.500	18,577.80
10/28	RECEIVED	40000.	KELLER TEX INDPT SCH DIST	49,474.50
10/28	RECEIVED	40000.	DUE 08/15/2026 5.000	39,375.20
10/28	RECEIVED	40000.	KLEIN TX INDPT SCH DIST RFDG	41,396.40
10/28	RECEIVED	20000.	DUE 08/01/2038 5.000	41,396.40
10/28	RECEIVED	20000.	DALLAS FT WORTH TX INTL ARPT	41,396.40
10/28	RECEIVED	5,000	DUE 11/01/2032 5.000	41,396.40
10/28	RECEIVED	50000.	DALLAS FT WORTH TX INTL ARPT	41,396.40
10/28	RECEIVED	50000.	DUE 11/01/2035 6.125	41,396.40
10/28	RECEIVED	40000.	UNIV TX PERM UNIV FD RFDG	41,396.40
10/28	RECEIVED	40000.	DUE 07/01/2033 4.500	41,396.40
10/28	RECEIVED	100000.	UT TRAN AUTH SALES TAX REV	\$111,736.00
10/28	RECEIVED	100000.	DUE 06/15/2033 4.500	50,409.00
10/28	RECEIVED	50000.	LITTLE ELM TX INDOT SCH DIST	49,657.00
10/28	RECEIVED	50000.	DUE 08/15/2035 5.250	44,751.00
10/28	RECEIVED	50000.	HOUSTON TEXAS HOTEL OCCUPANCY	33,756.80
10/28	RECEIVED	50000.	DUE 09/01/2033 5.250	64,297.35
10/28	RECEIVED	50000.	HARRIS CNTY HOUSTON TX REV	11,365.64
10/28	RECEIVED	35000.	DUE 11/15/2040 5.250	TOTAL NON-CASH \$832,706
10/28	RECEIVED	65000.	WI STATE HLTH & EDL FACS RFDG	
10/28	RECEIVED	65000.	DUE 12/15/2030 5.000	
10/28	RECEIVED	13.	IL STATE DECATUR MEM HOSPR REV	
			DUE 11/15/2021 5.375	
			LONG TERM INVT GRADE TR SER 1	

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.)
a WV STATE HGS DEV FD	P	06/03/09	11/02/09
b PACIFIC CONTINENTAL BANK CD	P	06/04/09	12/11/09
c PACIFIC CONTINENTAL BANK CD	P	06/03/09	12/11/09
d RETURN OF PRINCIPAL	P	VARIOUS	VARIOUS
e BOND FUND OF AMERICA	P	VARIOUS	08/07/09
f BOND FUND OF AMERICA	P	VARIOUS	08/07/09
g NEUBERGER&BRM MIDCAP GRW INSTL	P	VARIOUS	11/13/09
h VAN KAMPEN INTL GROWTH FD CL I	P	VARIOUS	11/13/09
i CAPITAL GAINS DIVIDENDS			
j			
k			
l			
m			
n			
o			

(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 5,000.		4,832.	168.
b 33,040.		33,000.	40.
c 17,109.		17,000.	109.
d 303.		303.	0.
e 4,998.		4,959.	39.
f 11,662.		11,570.	92.
g 28,863.		26,179.	2,684.
h 49,993.		45,317.	4,676.
i 1.			1.
j			
k			
l			
m			
n			
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(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	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			168.
b			40.
c			109.
d			0.
e			39.
f			92.
g			2,684.
h			4,676.
i			1.
j			
k			
l			
m			
n			
o			

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	7,809.
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	N/A

Application for Extension of Time To File an
Exempt Organization Return

► File a separate application for each return

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

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only ► *All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.*

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on e-file for Charities & Nonprofits

Type or print	Name of Exempt Organization THE JB & KATHRYN SALLAS CHARITABLE FOUNDATION	Employer identification number 26-3907247
File by the due date for filing your return. See instructions	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 1087	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions CROCKETT, TX 75835	

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

<input type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-T (corporation)	<input type="checkbox"/> Form 4720
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust)	<input type="checkbox"/> Form 5227
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 6069
<input checked="" type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 8870

JAN MAIDEN

- The books are in the care of ► **1256 FM 2076 – CROCKETT, TX 75835**

Telephone No ► **936-544-2205** FAX No ► ►

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

1 I request an automatic 3-month (6-months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2010**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ► calendar year **2009** or
 ► tax year beginning **_____**, and ending **_____**

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

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	850 .
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	200 .
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c	\$	650 .

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

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

Form 8868 (Rev 4-2009)

Form 8868
(Rev. April 2009)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1708

► File a separate application for each return.

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

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only ►

All other corporations (including 1120-C filers), partnerships, REITs/Cs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6089, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on e-file for Charities & Nonprofits.

Type or print	Name of Exempt Organization THE JB & KATHRYN SALLAS CHARITABLE FOUNDATION	Employer identification number 26-3907247
Print by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 1087	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. CROCKETT, TX 75835	

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

<input type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-T (corporation)	<input type="checkbox"/> Form 4720
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (sec. 401(a) or 408(q) trust)	<input type="checkbox"/> Form 5227
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 6089
<input checked="" type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 8870

JAN MAIDEN

- The books are in the care of ► **1256 FM 2076 - CROCKETT, TX 75835**
Telephone No. ► **936-544-2627** FAX No. ►
- If the organization does not have an office or place of business in the United States, check this box ►
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box ► . If it is for part of the group, check this box ► and attach a list with the names and EINs of all members the extension will cover

1 I request an automatic 3-month (6-months for a corporation required to file Form 990-T) extension of time until **MARCH 15, 2010**, to file the exempt organization return for the organization named above. The extension

is for the organization's return for:

► calendar year or
► tax year beginning **AUG 28, 2008**, and ending **JUL 31, 2009**.

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

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6089, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$ 200.
b	If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$ 0.
c	Balance Due. Subtract line 3a from line 3b. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$ 200.

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

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

Form 8868 (Rev. 4-2009)

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13061210 785224 5097

2008.05020 THE JB & KATHRYN SALLAS CHA 5097 1

COPY

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box ►

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II: Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Type or print	Name of Exempt Organization THE JB & KATHRYN SALLAS CHARITABLE FOUNDATION	Employer identification number 26-3907247
File by the extended due date for filing the return. See instructions	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 1087	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. CROCKETT, TX 75835	

Check type of return to be filed (File a separate application for each return).

<input type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust)	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 5227	<input type="checkbox"/> Form 8870
<input type="checkbox"/> Form 990-BL	<input checked="" type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 4720	<input type="checkbox"/> Form 4069	

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

JAN MAIDEN

- The books are in the care of ► PO BOX 1087 – CROCKETT, TX 75835

Telephone No. ► 936-544-2627 FAX No. ► _____

- If the organization does not have an office or place of business in the United States, check this box ►

- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the whole group, check this box ► . If it is for part of the group, check this box ► and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until NOVEMBER 15, 2010.

5 For calendar year 2009 , or other tax year beginning _____ , and ending _____ .

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

7 State in detail why you need the extension _____
SEE STATEMENT 12

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	8a	\$	850.
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b	\$	850.
c	Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$	0.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ►

Title ►

Date ►

Form 8868 (Rev. 4-2009)

923832
05-26-09

FORM 8688

EXPLANATION FOR EXTENSION

STATEMENT 12

EXPLANATION

THE TAXPAYER NEEDS ADDITIONAL TIME TO ACCUMULATE THE INFORMATION NEEDED TO PREPARE A COMPLETE AND ACCURATE RETURN. THEREFORE, AN ADDITIONAL EXTENSION OF TIME IS RESPECTFULLY REQUESTED.