Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

COPY

OMB No 1545-0052

2009

For calendar year 2009, or tax year beginning , and ending

G Check all that apply: [ ] Initial return [ ] Initial return of a former public charity [ ] Final return
[ ] Amended return [X] Address change [ ] Name change

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

Name of foundation
LUHTANEN-HOWES CHARITABLE FOUNDATION, INC.

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
40536 N. NORTHVILLE TRAIL

City or town, state, and ZIP code
NORTHVILLE, MI 48168-3244

A Employer identification number
38-3497266

B Telephone number
248-719-4709

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

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 439,044.

J Accounting method: [X] Cash [ ] Accrual [ ] Other (specify) *(Part I, column (d) must be on cash basis.)*

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received	0.		N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	31,072.	31,072.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	<49,308.>			
	b Gross sales price for all assets on line 6a 289,576.				
	7 Capital gain net income (from Part IV, line 2)		0.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income				
	12 **Total** Add lines 1 through 11	<18,236.>	31,072.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees				
	c Other professional fees				
	17 Interest				
	18 Taxes				
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 2	252.	252.		0.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	252.	252.		0.
	25 Contributions, gifts, grants paid	3,000.			3,000.
	26 **Total expenses and disbursements** Add lines 24 and 25	3,252.	252.		3,000.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	<21,488.>			
	b **Net investment income** (if negative, enter -0-)		30,820.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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02-02-10 LHA For Privacy Act and Paperwork Reduction Act Notice, see the instructions Form **990-PF** (2009)

10511103 792967 10297 2009.04050 LUHTANEN-HOWES CHARITABLE F 10297 1

Part II Balance Sheets (Attached schedules and amounts in the description column should be for end-of-year amounts only)	Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets			
1 Cash - non-interest-bearing	41,212.	16,071.	16,071.
2 Savings and temporary cash investments			
3 Accounts receivable ▶			
Less: allowance for doubtful accounts ▶			
4 Pledges receivable ▶			
Less: allowance for doubtful accounts ▶			
5 Grants receivable			
6 Receivables due from officers, directors, trustees, and other disqualified persons			
7 Other notes and loans receivable ▶			
Less: allowance for doubtful accounts ▶			
8 Inventories for sale or use			
9 Prepaid expenses and deferred charges			
10a Investments - U.S. and state government obligations			
b Investments - corporate stock STMT 3	354,715.	358,368.	422,973.
c Investments - corporate bonds			
11 Investments - land, buildings, and equipment basis ▶			
Less accumulated depreciation ▶			
12 Investments - mortgage loans			
13 Investments - other			
14 Land, buildings, and equipment basis ▶			
Less accumulated depreciation ▶			
15 Other assets (describe ▶)			
16 **Total assets** (to be completed by all filers)	395,927.	374,439.	439,044.
Liabilities			
17 Accounts payable and accrued expenses			
18 Grants payable			
19 Deferred revenue			
20 Loans from officers, directors, trustees, and other disqualified persons			
21 Mortgages and other notes payable			
22 Other liabilities (describe ▶)			
23 **Total liabilities** (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances			
Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
24 Unrestricted			
25 Temporarily restricted			
26 Permanently restricted			
Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.			
27 Capital stock, trust principal, or current funds	292,512.	292,512.	
28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
29 Retained earnings, accumulated income, endowment, or other funds	103,415.	81,927.	
30 **Total net assets or fund balances**	395,927.	374,439.	
31 **Total liabilities and net assets/fund balances**	395,927.	374,439.	

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	395,927.
2 Enter amount from Part I, line 27a	2	<21,488.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	374,439.
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	374,439.

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	MORGAN STANLEY - #310-063357 020	P	01/01/09	12/31/09
b	MORGAN STANLEY - #310-063357 020	P	01/01/08	12/31/09
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	246,566.		255,700.	<9,134.>
b	43,010.		83,184.	<40,174.>
c				
d				
e				

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) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a				<9,134.>
b				<40,174.>
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** <49,308.>

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.)

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	16,531.	457,249.	.036153
2007	35,785.	493,822.	.072465
2006	20,663.	456,267.	.045287
2005	19,811.	405,589.	.048845
2004	10,000.	350,795.	.028507

2	Total of line 1, column (d)	2	.231257
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	.046251
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	398,224.
5	Multiply line 4 by line 3	5	18,418.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	308.
7	Add lines 5 and 6	7	18,726.
8	Enter qualifying distributions from Part XII, line 4	8	3,000.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate.
See the Part VI instructions.

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

1a Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ________ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b		1	616.
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	616.
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	616.
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a 300.		
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d		7	300.
8 Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached		8	
9 **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶		9	316.
10 **Overpayment** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶		10	
11 Enter the amount of line 10 to be: **Credited to 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
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? *If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*	1b		X
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ 0. **(2)** On foundation managers. ▶ $ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7 Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV.*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ MI			
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	10		X

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

		Yes	No
11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ THE FOUNDATION Telephone no. ▶ 248-719-4709

Located at ▶ 40536 N. NORTHVILLE TRAIL, NORTHVILLE, MI ZIP+4 ▶ 48168-3244

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a During the year did the foundation (either directly or indirectly):			
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? N/A	1b		
Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?	1c		X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):			
a At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? ☐ Yes ☒ No			
If "Yes," list the years ▶ ______, ______, ______, ______			
b Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.) N/A	2b		
c If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ______, ______, ______, ______			
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b If "Yes," did it have excess business holdings in 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	3b		
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?	4b		X

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

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

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

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

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

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

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

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 6b | | X |

If "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? 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
JACK D. LUHTANEN 18186 BLUE HERON DR. WEST NORTHVILLE, MI 48168	PRESIDENT 1.00	0.	0.	0.
LINDA L. LUHTANEN 40536 N. NORTHVILLE TRAIL NORTHVILLE, MI 48168	SECRETARY/TREASURER 1.00	0.	0.	0.
TODD A. LUHTANEN 40782 N. NORTHVILLE TRAIL NORTHVILLE, MI 48168	VICE-PRESIDENT 1.00	0.	0.	0.

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

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

Total number of other employees paid over $50,000 ▶ 0

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Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** *(continued)*

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

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

Total number of others receiving over $50,000 for professional services ▶ 0

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

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 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.

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	389,141.
b	Average of monthly cash balances	1b	15,147.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	404,288.
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	404,288.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	6,064.
5	**Net value of noncharitable-use assets** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	398,224.
6	**Minimum investment return.** Enter 5% of line 5	6	19,911.

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	19,911.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	616.		
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	616.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	19,295.
4	Recoveries of amounts treated as qualifying distributions			4	0.
5	Add lines 3 and 4			5	19,295.
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	19,295.

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	3,000.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
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	3,000.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	**Adjusted qualifying distributions** Subtract line 5 from line 4	6	3,000.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				19,295.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			2,817.	
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: ▶ $ 3,000.				
a Applied to 2008, but not more than line 2a			2,817.	
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				183.
e Remaining amount distributed out of corpus	0.			
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:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
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				19,112.
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	0.			
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 instructions and Part VII-A, question 9) N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling ▶

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

	Tax year	Prior 3 years			
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	(e) Total
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter: (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter: (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year-see the instructions.)

1 **Information Regarding Foundation Managers:**

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

NONE

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

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

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
PALACE SPORTS ENTERTAINMENT 6 CHAMPIONSHIP DRIVE AUBURN HILLS, MI		501(C)(3)	GENERAL	3,000.
Total			▶ 3a	3,000.
b Approved for future payment				
NONE				
Total			▶ 3b	0.

923611 02-02-10

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	31,072.	
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			18	<49,308.>	
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.		<18,236.>	0.

13 Total. Add line 12, columns (b), (d), and (e) 13 <18,236.>

(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).

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

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

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

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

b If "Yes," complete the following schedule.

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

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

Sign Here

Linda L. Luhtanen (signature) | Date | SECRETARY/TREASURER

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's signature: Brad Niergarth, CPA | Date: 11/3/10 | Check if self-employed ☐ | Preparer's identifying number

Firm's name (or yours if self-employed), address, and ZIP code: DGN, LLC
P.O. BOX 947
TRAVERSE CITY, MI 49685-0947

EIN

Phone no. 231-946-1722

MorganStanley SmithBarney ClientServ

Realized Gain/Loss

Realized Gain/Loss Information for previous months is available on your Account Statements

Gain/Loss Summary | **Realized Gain/Loss** | Unrealized Gain/Loss

Show AAA 310 063357 2009 Annual

AAA 310 063357 LUHTANEN-HOWES CHARITABLE FDN INC

Total	Total Cost	Adj. Cost	Proceeds	Gain/Loss
2009 Annual	338,853 33	338,883 33	289,575.68	-49,307.65

Short-Term Gain/Loss

Name	Quantity	Date Acquired	Date Sold	Total Cost	Adj. Cost	Proceeds	Gain/Loss	Period
ABALX AMERICAN BALANCED A DIVIDEND REINVESTMENT	30 386	5/23/08	3/3/2009	553 63	553 63	350 17	-203 46	Short
DIVIDEND REINVESTMENT	31 944	8/15/08	3/3/2009	557 74	557 74	368 12	-189 62	Short
DIVIDEND REINVESTMENT	10 492	12/18/08	3/3/2009	142 59	142 59	120 91	-21 68	Short
DIVIDEND REINVESTMENT	2 894	2/20/09	3/3/2009	35 63	35 63	33 34	-2 29	Short
	75.716			1,289 59	1,289 59	872.54	-417 05	
CAIBX AMERICAN CAP INC BUILDER A DIVIDEND REINVESTMENT	5 146	3/20/08	3/3/2009	294 19	294 19	181 30	-112 89	Short
DIVIDEND REINVESTMENT	0 564 E	3/28/08	3/3/2009	32 23 E	32 23	19 86	-12 37	Short
DIVIDEND REINVESTMENT	5 755	6/20/08	3/3/2009	328 43	328 43	202 68	-125 75	Short
DIVIDEND REINVESTMENT	5 704	9/19/08	3/3/2009	298 23	298 23	200 88	-97 35	Short
DIVIDEND REINVESTMENT	0 721	12/19/08	3/3/2009	29 35	29 35	25 39	-3 96	Short
DIVIDEND REINVESTMENT	0 853	12/19/08	3/3/2009	34 71	34 71	30 04	-4 67	Short
	18.745			1,017 14	1,017.14	660.15	-356 99	
AMECX AMERICAN INC FD OF AMERICA A DIVIDEND REINVESTMENT	21 267	3/20/08	2/9/2009	379 62	379 62	266 13	-113 49	Short
DIVIDEND REINVESTMENT	30 710	6/20/08	2/9/2009	537 11	537 11	384 29	-152.82	Short
DIVIDEND REINVESTMENT	32 599	9/19/08	2/9/2009	543 10	543 10	407 93	-135 17	Short
DIVIDEND REINVESTMENT	2 572	12/24/08	2/9/2009	32 71	32 71	32 18	-0 53	Short
DIVIDEND REINVESTMENT	34 072	12/24/08	2/9/2009	433 40	433 40	426 37	-7 03	Short
	121.220			1,925.94	1,925.94	1,516 90	-409.04	
AIVSX AMERICAN INV CO OF AMER A DIVIDEND REINVESTMENT	9 422	3/7/08	3/3/2009	277 75	277 75	159 96	-117 79	Short
DIVIDEND REINVESTMENT	9 156	6/6/08	3/3/2009	279 35	279 35	155 44	-123 91	Short
DIVIDEND REINVESTMENT	10 145	9/5/08	3/3/2009	280 91	280 91	172 23	-108 68	Short
DIVIDEND REINVESTMENT	3 334	12/18/08	3/3/2009	68 51	68 51	56 61	-11 90	Short
	32.057			906.52	906.52	544.24	-362.28	
AWSHX AMERICAN WA MUTUAL A DIVIDEND REINVESTMENT	9 349	3/20/08	3/3/2009	290 67	290 67	152 47	-138 20	Short
DIVIDEND REINVESTMENT	9 745	6/20/08	3/3/2009	292 35	292 35	158 93	-133 42	Short
DIVIDEND REINVESTMENT	10 031	9/19/08	3/3/2009	294 10	294 10	163 59	-130 51	Short
DIVIDEND REINVESTMENT	10 425	12/19/08	3/3/2009	218 62	218 62	170 01	-48 61	Short
DIVIDEND REINVESTMENT	3 791	12/19/08	3/3/2009	79 50	79 50	61 83	-17 67	Short
	43 341			1,175.24	1,175.24	706.83	-468.41	
BANK OF AMERICA 8 000 3-31-49	50,000 000	10/16/08	3/5/2009	42555 25	42555 25	12,814 19	-29741 06	Short
	50,000.000			42,555 25	42,555.25	12,814.19	-29,741 06	
	25,000 000	3/3/09	10/21/2009	20192 75	20192 75	24,619 75	4427 00	Short

FPL GROUP CAPT 7 300 9-01-67	25,000.000			20,192 75	20,192 75	24,619 75	4,427.00	
GAT GEORGIA POWER CO 8 200 11-01-48	300 000	11/12/08	5/4/2009	7500 00	7500 00	8,188 16	688 16	Short
	800 000	11/12/08	5/4/2009	19980 00	20000 00	21,857 13	1857 13	Short
	100 000	11/12/08	5/4/2009	2490 00	2500 00	2,744 84	244 84	Short
	1,200.000			29,970 00	30,000.00	32,790.13	2,790.13	
MER K M L CAP TR I 6 45 6 450 12-15-66	300 000	12/29/08	1/6/2009	4422 57	4422 57	5,057 78	635 21	Short
	850 000	12/29/08	1/6/2009	12535 86	12535 86	14,330 37	1794 51	Short
	500 000	12/29/08	1/6/2009	7525 45	7525 45	8,429 63	904 18	Short
	1,650.000			24,483 88	24,483 88	27,817 78	3,333.90	
PRUDENTIAL FINL 8 7/8 6-15-68	30,000 000	1/8/09	11/23/2009	20403 94	20403 94	30,744 75	10340 81	Short
	30,000.000			20,403.94	20,403.94	30,744 75	10,340 81	
MSSB13 UNIT VK MS 30 FOR 2013	5,738 000	6/24/09	12/28/2009	283 63	283 63	283 63	0 00	Short
	20 000	10/25/09	12/28/2009	0 99	0 99	0 99	0 00	Short
	5,758.000			284.62	284 62	284.62	0.00	
USB K USB CAP XII 6 30% 6 300 2-15-67	100 000	12/1/08	4/24/2009	1969 21	1969 21	1,803 92	-165 29	Short
	200 000	12/1/08	4/24/2009	3938 42	3938 42	3,590 75	-347 67	Short
	600 000	12/1/08	4/24/2009	11815 27	11815 27	10,794 09	-1021 18	Short
	100 000	12/1/08	4/24/2009	1969 21	1969 21	1,802 92	-166 29	Short
	1,000.000			19,692 11	19,692 11	17,991.68	-1,700.43	
WELLS FARGO CAP 9 3/4 4-30-49	50,000 000	11/24/08	4/20/2009	50005 25	50005 25	41,744 75	-8260 50	Short
	50,000.000			50,005 25	50,005.25	41,744.75	-8,260 50	
WELLS FARGO CAPT 7 700 6-30-49	65,000 000	4/20/09	6/24/2009	41767 75	41767 75	53,457 25	11689 50	Short
	65,000.000			41,767.75	41,767 75	53,457.25	11,689 50	
Sub-total, Short-Term				255,669.98	255,699 98	246,565 56	-9,134.42	

Long-Term Gain/Loss

Name	Quantity	Date Acquired	Date Sold	Total Cost	Adj Cost	Proceeds	Gain/Loss	Period
ABALX AMERICAN BALANCED A	742 780	1/17/08	2/9/2009	13653 72	13653 72	10,000 00	-3653 72	Long
	190 067	1/17/08	3/3/2009	3494 16	3494 16	2,190 55	-1303 61	Long
DIVIDEND REINVESTMENT	31 076	2/15/08	3/3/2009	565 59	565 59	358 12	-207 47	Long
DIVIDEND REINVESTMENT	29 986	2/15/08	3/3/2009	545 39	545 39	345 33	-200 06	Long
	993.909			18,258.86	18,258.86	12,894 00	-5,364 86	
CAIBX AMERICAN CAP INC BUILDER A DIVIDEND REINVESTMENT	1 519 E	12/29/06	3/3/2009	92 29 E	92 29	53 50	-38 79	Long
DIVIDEND REINVESTMENT	4 624 E	3/22/07	3/3/2009	283 95 E	283 95	162 85	-121 10	Long
DIVIDEND REINVESTMENT	4 460 E	6/21/07	3/3/2009	289 09 E	289 09	157 07	-132 02	Long
DIVIDEND REINVESTMENT	4 468 E	9/25/07	3/3/2009	294 21 E	294 21	157 35	-136 86	Long
DIVIDEND REINVESTMENT	22 872 E	12/26/07	3/3/2009	1409 14 E	1409 14	805 50	-603 64	Long
DIVIDEND REINVESTMENT	5.242 E	12/26/07	3/3/2009	322 95 E	322 95	184 61	-138 34	Long
DIVIDEND REINVESTMENT	4 859 E	12/27/07	3/3/2009	299 36 E	299 36	171 12	-128 24	Long
	48.044			2,990.99	2,990.99	1,692 00	-1,298.99	
AMECX AMERICAN INC FD OF AMERICA A	694 243	1/17/08	2/9/2009	12705 97	12705 97	8,687 45	-4018 52	Long
	694.243			12,705 97	12,705.97	8,687 45	-4,018.52	
AIVSX AMERICAN INV CO OF AMER A	374 278	1/17/08	3/3/2009	11454 11	11454 11	6,354 14	-5099 97	Long
	374.278			11,454.11	11,454.11	6,354.14	-5,099.97	
AWSHX AMERICAN WA MUTUAL A	412 535	1/17/08	3/3/2009	12773 42	12773 42	6,727 82	-6045 60	Long
	412.535			12,773.42	12,773 42	6,727.82	-6,045 60	
C P CITIGROUP INC 8 125% SER AA	1,000 000	1/22/08	3/5/2009	25000 00	25000 00	6,654 71	-18345 29	Long
	1,000.000			25,000 00	25,000 00	6,654.71	-18,345.29	
Sub-total, Long-Term				83,183.35	83,183 35	43,010 12	-40,173.23	

Total	Total Cost	Adj Cost	Proceeds	Gain/Loss
2009 Annual	338,853 33	338,883.33	289,575.68	-49,307.65

E - This transaction was executed elsewhere and the securities were later transferred to your Morgan Stanley & Co Incorporated a Morgan Stanley & Co Incorporated by your prior financial institution

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
MORGAN STANLEY - #310-063357-020	31,072.	0.	31,072.
TOTAL TO FM 990-PF, PART I, LN 4	31,072.	0.	31,072.

FORM 990-PF OTHER EXPENSES STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT FEES	252.	252.		0.
TO FORM 990-PF, PG 1, LN 23	252.	252.		0.

FORM 990-PF CORPORATE STOCK STATEMENT 3

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
INVESTMENT ACCOUNTS	358,368.	422,973.
TOTAL TO FORM 990-PF, PART II, LINE 10B	358,368.	422,973.

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

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 File by the extended due date for filing the return See instructions	Name of Exempt Organization LUHTANEN-HOWES CHARITABLE FOUNDATION, INC.	**Employer identification number** 38-3497266
	Number, street, and room or suite no. If a P O. box, see instructions 40536 N. NORTHVILLE TRAIL	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions NORTHVILLE, MI 48168-3244	

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

[ ] Form 990 [ ] Form 990-EZ [ ] Form 990-T (sec 401(a) or 408(a) trust) [ ] Form 1041-A [ ] Form 5227 [ ] Form 8870
[ ] Form 990-BL [X] Form 990-PF [ ] Form 990-T (trust other than above) [ ] Form 4720 [ ] Form 6069

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

● The books are in the care of ▶ THE FOUNDATION
40536 N. NORTHVILLE TRAIL - NORTHVILLE, MI 48168-3244

Telephone No ▶ 248-719-4709 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
INFORMATION NEEDED TO FILE A COMPLETE AND ACCURATE RETURN IS NOT YET AVAILABLE.

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	$ 0.
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	$ 300.
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 ▶ SECRETARY/TREASURER Date ▶

923832
05-26-09