74007

Form **990-EZ**

Department of the Treasury
Internal Revenue Service

Short Form
Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ Sponsoring organizations of donor advised funds and controlling organizations as defined in section 512(b)(13) must file Form 990. All other organizations with gross receipts less than $500,000 and total assets less than $1,250,000 at the end of the year may use this form.
▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No 1545-1150

2009

Open to Public Inspection

A For the 2009 calendar year, or tax year beginning 07/01/09, and ending 06/30/10

B Check if applicable:
- [ ] Address change
- [ ] Name change
- [ ] Initial return
- [ ] Termination
- [ ] Amended return
- [ ] Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization: THE AMERICAN LEGION, DEPARTMENT OF SOUTH DAKOTA

Number and street (or P O box, if mail is not delivered to street address): P.O. BOX 67 | Room/suite:

City or town, state or country, and ZIP + 4: WATERTOWN SD 57201-0067

D Employer identification number: 46-0105110

E Telephone number: 605-886-3604

F Group Exemption Number ▶ 0925

● Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

G Accounting method: [X] Cash [ ] Accrual Other (specify) ▶

I Website: ▶ sdlegion.org

H Check ▶ [X] if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

J Tax-exempt status (check only one) — [X] 501(c) (19) ◀ (insert no) [ ] 4947(a)(1) or [ ] 527

K Check ▶ [ ] if the organization is not a section 509(a)(3) supporting organization and its gross receipts are normally not more than $25,000. A Form 990-EZ or Form 990 return is not required, but if the organization chooses to file a return, be sure to file a complete return

L Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts; if $500,000 or more, file Form 990 instead of Form 990-EZ ▶ $ 416,785

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions for Part I.)

Revenue	1	Contributions, gifts, grants, and similar amounts received			1	17,787
	2	Program service revenue including government fees and contracts			2	
	3	Membership dues and assessments	See Statement 1		3	241,283
	4	Investment income			4	48,412
	5a	Gross amount from sale of assets other than inventory	5a	75,513		
	b	Less cost or other basis and sales expenses	5b	75,716		
	c	Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a)	See Stmt 2		5c	-203
	6	Special events and activities (complete applicable parts of Schedule G). If any amount is from gaming, check here ▶ [ ]				See Stmt 3
	a	Gross revenue (not including $ ____ of contributions reported on line 1)	6a			
	b	Less direct expenses other than fundraising expenses	6b			
	c	Net income or (loss) from special events and activities (Subtract line 6b from line 6a)			6c	
	7a	Gross sales of inventory, less returns and allowances	7a	33,790		
	b	Less cost of goods sold	7b	20,386		
	c	Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)			7c	13,404
	8	Other revenue (describe ▶)			8	
	9	**Total revenue.** Add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8 ▶			9	320,683
Expenses	10	Grants and similar amounts paid (attach schedule)			10	
	11	Benefits paid to or for members			11	
	12	Salaries, other compensation, and employee benefits			12	174,836
	13	Professional fees and other payments to independent contractors			13	6,563
	14	Occupancy, rent, utilities, and maintenance			14	10,700
	15	Printing, publications, postage, and shipping			15	
	16	Other expenses (describe ▶ See Statement 4)			16	204,414
	17	**Total expenses.** Add lines 10 through 16 ▶			17	396,513
Net Assets	18	Excess or (deficit) for the year (Subtract line 17 from line 9)			18	-75,830
	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)			19	837,505
	20	Other changes in net assets or fund balances (attach explanation)	See Statement 5		20	26,627
	21	Net assets or fund balances at end of year. Combine lines 18 through 20 ▶			21	788,302

Part II Balance Sheets. If Total assets on line 25, column (B) are $1,250,000 or more, file Form 990 instead of Form 990-EZ

	(See the instructions for Part II.)	(A) Beginning of year		(B) End of year
22	Cash, savings, and investments	610,462	22	552,307
23	Land and buildings		23	
24	Other assets (describe ▶ See Statement 6)	227,323	24	236,332
25	Total assets	837,785	25	788,639
26	Total liabilities (describe ▶ See Statement 7)	280	26	337
27	Net assets or fund balances (line 27 of column (B) must agree with line 21)	837,505	27	788,302

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions. Form **990-EZ** (2009)

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Part III Statement of Program Service Accomplishments (See the instructions for Part III.)

What is the organization's primary exempt purpose?

PROVIDING SERVICES TO VETERANS

Describe what was achieved in carrying out the organization's exempt purposes In a clear and concise manner, describe the services provided, the number of persons benefited, or other relevant information for each program title

Expenses (Required for section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts, optional for others)

28	THE AMERICAN LEGION, DEPARTMENT OF SOUTH DAKOTA PROVIDES SUPPORT TO SPECIAL OLYMPIC PROGRAMS AND EVENTS. (Grants $) If this amount includes foreign grants, check here ▶ ☐	28a	2,500
29	See Statement 8 (Grants $) If this amount includes foreign grants, check here ▶ ☐	29a	42,053
30	(Grants $) If this amount includes foreign grants, check here ▶ ☐	30a	
31	Other program services (attach schedule) (Grants $) If this amount includes foreign grants, check here ▶ ☐	31a	
32	**Total program service expenses** (add lines 28a through 31a) ▶	32	44,553

Part IV List of Officers, Directors, Trustees, and Key Employees. List each one even if not compensated (See the instructions for Part IV)

(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 & deferred compensation	(e) Expense account and other allowances
JAMES HULS 104 BEST POINT DR	MADISON SD 57042	COMMANDER 40.00	0	0	0
GENE SCHUMACHER 924 N MAIN	ABERDEEN SD 57401	FIN. OFFICER 2.00	0	0	0
DENNIS BRENDEN 1711 LINCOLN AVE NE	WATERTOWN SD 57201	ADJUTANT 40.00	40,000	0	0
WELLS FARGO BANK 20 N MAPLE ST	WATERTOWN SD 57201	TRUSTEE 4.00	3,780	0	0

Part V Other Information (Note the statement requirements in the instructions for Part V.)

			Yes	No
33	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	33		X
34	Were any changes made to the organizing or governing documents? If "Yes," attached a conformed copy of the changes	34		X
35	If the organization had income from business activities, such as those reported on lines 2, 6a, and 7a (among others), but **not** reported on Form 990-T, attach a statement explaining why the organization did not report the income on Form 990-T.			
a	Did the organization have unrelated business gross income of $1,000 or more or was it subject to section 6033(e) notice, reporting, and proxy tax requirements?	35a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	35b		
36	Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N	36		X
37a	Enter amount of political expenditures, direct or indirect, as described in the instr ▶ 37a			
b	Did the organization file **Form 1120-POL** for this year?	37b		X
38a	Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still outstanding at the end of the period covered by this return?	38a		X
b	If "Yes," complete Schedule L, Part II and enter the total amount involved 38b			
39	Section 501(c)(7) organizations Enter			
a	Initiation fees and capital contributions included on line 9 39a			
b	Gross receipts, included on line 9, for public use of club facilities 39b			
40a	Section 501(c)(3) organizations Enter amount of tax imposed on the organization during the year under section 4911 ▶ ______ , section 4912 ▶ ______ , section 4955 ▶ ______			
b	Section 501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or is it aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	40b		
c	Section 501(c)(3) and 501(c)(4) organizations Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ ______			
d	Section 501(c)(3) and 501(c)(4) organizations Enter amount of tax on line 40c reimbursed by the organization ▶ ______			
e	All organizations At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T	40e		X

41 List the states with which a copy of this return is filed ▶ None

42a The organization's books are in care of ▶ DENNIS BRENDEN Telephone no ▶ 605-886-3604

COUNTY COURTHOUSE

Located at ▶ WATERTOWN, SD ZIP + 4 ▶ 57201-0067

			Yes	No
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	42b		X
	If "Yes," enter the name of the foreign country ▶ ______ See the instructions for exceptions and filing requirements for **Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.**			
c	At any time during the calendar year, did the organization maintain an office outside of the U S ? If "Yes," enter the name of the foreign country ▶ ______	42c		X

43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of **Form 1041**—Check here ▶ ☐ and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 43

			Yes	No
44	Did the organization maintain any donor advised funds? If "Yes," Form 990 must be completed instead of Form 990-EZ	44		X
45	Is any related organization a controlled entity of the organization within the meaning of section 512(b)(13)? If "Yes," Form 990 must be completed instead of Form 990-EZ	45		X

Part VI **Section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts only.** All section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts must answer questions 46-49b and complete the tables for lines 50 and 51.

			Yes	No
46	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	46		
47	Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	47		
48	Is the organization operating a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	48		
49a	Did the organization make any transfers to an exempt non-charitable related organization?	49a		
b	If "Yes," was the related organization a section 527 organization?	49b		

50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than $100,000 of compensation from the organization If there is none, enter "None"

(a) Name and address of each employee paid more than $100,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances

f Total number of other employees paid over $100,000 ▶

51 Complete this table for the organization's five highest compensated independent contractors who each received more than $100,000 of compensation from the organization If there is none, enter "None"

(a) Name and address of each independent contractor paid more than $100,000	(b) Type of service	(c) Compensation

d Total number of other independent contractors each receiving over $100,000 ▶

Sign Here

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

▶ Dennis O. Brenden — November 9, 2010
Signature of officer — Date

▶ Dennis O. Brenden, State Adjutant
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ Troy A. Hiel	Date 11/08/10	Check if self-employed ▶ ☐	Preparer's Identifying Number (See instr) P00210455
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ WILLIAM NEALE & CO., P.C. 304 9TH AVE SE P.O. BOX 490 WATERTOWN, SD 57201-0490			EIN ▶ 46-0417508 Phone no ▶ 605-886-6028

May the IRS discuss this return with the preparer shown above? See instructions ▶ [X] Yes ☐ No

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Form **4562** Department of the Treasury Internal Revenue Service (99)

Depreciation and Amortization

(Including Information on Listed Property)

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

OMB No 1545-0172

2009

Attachment Sequence No 67

Name(s) shown on return: THE AMERICAN LEGION, DEPARTMENT OF SOUTH DAKOTA

Identifying number: 46-0105110

Business or activity to which this form relates: FORM 990 PAGE 10, G&A EXPENSES

Part I Election To Expense Certain Property Under Section 179

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

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

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

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

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

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

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	1,579

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

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2009	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

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

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		687	5.0	HY	S/L	23
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

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

(a) Classification of property	(b)	(c)	(d)	(e)	(f)	(g)
20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property Enter amount from line 28	21	9,098
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return Partnerships and S corporations—see instructions	22	10,700
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V **Listed Property** (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles)

24a Do you have evidence to support the business/investment use claimed? [X] Yes [ ] No 24b If "Yes," is the evidence written? [ ] Yes [X] No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						25		
26 Property used more than 50% in a qualified business use								
See Statement 9		%	73,426	73,426			9,098	
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L-		
		%				S/L-		
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1						28	9,098	
29 Add amounts in column (i), line 26 Enter here and on line 7, page 1							29	

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (**do not** include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?		X		X		X						
35 Was the vehicle used primarily by a more than 5% owner or related person?		X		X		X						
36 Is another vehicle available for personal use?		X		X		X						

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions)

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2009 tax year (see instructions)					
43 Amortization of costs that began before your 2009 tax year				43	
44 **Total.** Add amounts in column (f) See the instructions for where to report				44	

Form **8824**

Department of the Treasury
Internal Revenue Service

Like-Kind Exchanges

(and section 1043 conflict-of-interest sales)

▶ **Attach to your tax return.**

OMB No 1545-1190

2009

Attachment Sequence No **109**

Name(s) shown on tax return: THE AMERICAN LEGION, DEPARTMENT OF SOUTH DAKOTA

Identifying number: 46-0105110

Part I Information on the Like-Kind Exchange

Note: If the property described on line 1 or line 2 is real or personal property located outside the United States, indicate the country

1 Description of like-kind property given up
2005 GRAND CARAVAN

2 Description of like-kind property received
2009 CHEVROLET UPLANDER

3	Date like-kind property given up was originally acquired (month, day, year)	3	09/19/05
4	Date you actually transferred your property to other party (month, day, year)	4	09/04/09
5	Date like-kind property you received was identified by written notice to another party (month, day, year) See instructions for 45-day written identification requirement	5	09/04/09
6	Date you actually received the like-kind property from other party (month, day, year) See instructions	6	09/04/09

7 Was the exchange of the property given up or received made with a related party, either directly or indirectly (such as through an intermediary)? See instructions If "Yes," complete Part II If "No," go to Part III ☐ Yes ☒ No

Part II Related Party Exchange Information

8 Name of related party	Relationship to you	Related party's identifying number

Address (no , street, and apt , room, or suite no , city or town, state, and ZIP code)

9 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did the related party sell or dispose of any part of the like-kind property received from you (or an intermediary) in the exchange or transfer property into the exchange, directly or indirectly (such as through an intermediary), that became your replacement property? ☐ Yes ☐ No

10 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did you sell or dispose of any part of the like-kind property you received? ☐ Yes ☐ No

If both lines 9 and 10 are "No" and this is the year of the exchange, go to Part III If both lines 9 and 10 are "No" and this is **not** the year of the exchange, stop here. If either line 9 or line 10 is "Yes," complete Part III and report on this year's tax return the deferred gain or (loss) from line 24 **unless** one of the exceptions on line 11 applies

11 If one of the exceptions below applies to the disposition, check the applicable box

a ☐ The disposition was after the death of either of the related parties

b ☐ The disposition was an involuntary conversion, and the threat of conversion occurred after the exchange

c ☐ You can establish to the satisfaction of the IRS that neither the exchange nor the disposition had tax avoidance as one of its principal purposes If this box is checked, attach an explanation (see instructions)

74007

Name(s) shown on tax return Do not enter name and social security number if shown on other side

THE AMERICAN LEGION, DEPARTMENT OF SOUTH DAKOTA

Your social security number: 46-0105110

Part III Realized Gain or (Loss), Recognized Gain, and Basis of Like-Kind Property Received

Caution: If you transferred **and** received **(a)** more than one group of like-kind properties or **(b)** cash or other (not like-kind) property, see **Reporting of multi-asset exchanges** in the instructions

Note: Complete lines 12 through 14 **only** if you gave up property that was not like-kind Otherwise, go to line 15

12	Fair market value (FMV) of other property given up	12			
13	Adjusted basis of other property given up	13			
14	Gain or (loss) recognized on other property given up Subtract line 13 from line 12 Report the gain or (loss) in the same manner as if the exchange had been a sale **Caution:** If the property given up was used previously or partly as a home, see **Property used as home** in the instructions			14	
15	Cash received, FMV of other property received, plus net liabilities assumed by other party, reduced (but not below zero) by any exchange expenses you incurred (see instructions)			15	
16	FMV of like-kind property you received			16	19,320
17	Add lines 15 and 16			17	19,320
18	Adjusted basis of like-kind property you gave up, net amounts paid to other party, plus any exchange expenses **not** used on line 15 (see instructions)			18	21,452
19	**Realized gain or (loss).** Subtract line 18 from line 17			19	-2,132
20	Enter the smaller of line 15 or line 19, but not less than zero			20	0
21	Ordinary income under recapture rules Enter here and on Form 4797, line 16 (see instructions)			21	-2,132
22	Subtract line 21 from line 20 If zero or less, enter -0- If more than zero, enter here and on Schedule D or Form 4797, unless the installment method applies (see instructions)			22	2,132
23	**Recognized gain.** Add lines 21 and 22			23	
24	Deferred gain or (loss) Subtract line 23 from line 19 If a related party exchange, see instructions			24	-2,132
25	**Basis of like-kind property received.** Subtract line 15 from the sum of lines 18 and 23			25	21,452

Part IV Deferral of Gain From Section 1043 Conflict-of-Interest Sales

Note: This part is to be used **only** by officers or employees of the executive branch of the Federal Government or judicial officers of the Federal Government (including certain spouses, minor or dependent children, and trustees as described in section 1043) for reporting nonrecognition of gain under section 1043 on the sale of property to comply with the conflict-of-interest requirements This part can be used **only** if the cost of the replacement property is more than the basis of the divested property

26 Enter the number from the upper right corner of your certificate of divestiture **(Do not** attach a copy of your certificate Keep the certificate with your records) ▶

27 Description of divested property ▶

28 Description of replacement property ▶

29	Date divested property was sold (month, day, year)			29	
30	Sales price of divested property (see instructions)	30			
31	Basis of divested property	31			
32	**Realized gain.** Subtract line 31 from line 30			32	
33	Cost of replacement property purchased within 60 days after date of sale	33			
34	Subtract line 33 from line 30 If zero or less, enter -0-			34	0
35	Ordinary income under recapture rules Enter here and on Form 4797, line 10 (see instructions)			35	
36	Subtract line 35 from line 34 If zero or less, enter -0- If more than zero, enter here and on Schedule D or Form 4797 (see instructions)			36	0
37	**Deferred gain.** Subtract the sum of lines 35 and 36 from line 32			37	
38	**Basis of replacement property.** Subtract line 37 from line 33			38	

Federal Statements

Statement 1 - Form 990-EZ, Part I, Line 3 - Membership Dues and Assessments

Description	Amount
Membership Dues	$ 241,283
Total	$ 241,283

Federal Statements

Statement 2 - Form 990-EZ, Part I, Line 5c - Sale of Assets Other than Inventory - Securities

Description: How Received / Whom Sold	Date Acquired	Date Sold	Sale Price	Cost & Expense	Depreciation	Gain / Loss
20 VANGUARD REIT VIPER Purchase	3/14/06	9/22/09	$ 875	$ 1,323	$	$ -448
663 WF ADV C&B LARGE CAP VAL-ADM Purchase	Various	9/18/09	4,714	5,514		-800
1141 WF ADV STABLE INC FD ADMIN Purchase	Various	9/18/09	10,846	11,731		-885
10 ISHARES DOW JONES SELECT DIV FD Purchase	11/21/08	5/07/10	473	361		112
46 DODGE & COX STOCK FD #145 Purchase	10/15/03	9/02/09	4,000	4,941		-941
45 ISHARES DOW JONES SELECT DIV FD Purchase	11/21/08	12/08/09	1,975	1,624		351
180 ISHARES DOW JONES SELECT DIV FD Purchase	11/21/08	1/06/10	7,990	6,498		1,492
15 ISHARES DOW JONES SELECT DIV FD Purchase	11/21/08	4/07/10	697	541		156
70 ISHARES DOW JONES SELECT DIV FD Purchase	2/18/10	4/07/10	3,250	3,083		167
2622 WF ADV STABLE INC FD ADMIN #79 Purchase	Various	12/04/09	25,154	25,100		54
1621 WF ADV STABLE INC FD ADMIN #79 Purchase	Various	12/04/09	15,539	15,000		539
Total			$ 75,513	$ 75,716	$ 0	$ -203

Statement 3 - Form 990-EZ, Part I, Line 5c - Sale of Assets Other than Inventory - Other

Description: How Received / Whom Sold	Date Acquired	Date Sold	Sale Price	Cost & Expense	Depreciation	Gain / Loss
Form 8824, 1231 Gain/Loss from Like-kind Exch			$ 2,132	$	$	$ 2,132

Federal Statements

Statement 3 - Form 990-EZ, Part I, Line 5c - Sale of Assets Other than Inventory - Other (continued)

Description: How Received	Description: Whom Sold	Description: Date Acquired	Date Sold	Sale Price	Cost & Expense	Depreciation	Gain / Loss
Form 8824, Ord. Gain/Loss from Like-kind Exch				$ -2,132	$	$	$ -2,132
Total				$ 0	$ 0	$ 0	$ 0

Federal Statements

Statement 4 - Form 990-EZ, Part I, Line 16 - Other Expenses

Description	Amount
Expenses	$
Office	13,996
Conferences/Meetings	29,188
Insurance	1,779
Membership Recruitment	31,619
Postage	13,058
Publications	29,074
Reps, Chairman, Commander	33,176
Telephone	3,331
Vehicle Expense	2,354
Miscellaneous & Other	2,286
Children & Youth	4,941
Music & Parade	3,120
Athletic Commission	6,587
Oratory	2,182
Special Olympics	2,500
Veterans Services	24,221
Education Loans	1,002
Total	$ 204,414

Statement 5 - Form 990-EZ, Part I, Line 20 - Other Changes in Net Assets or Fund Balances

Description	Amount
Unrealized Gain on Investments	$ 26,627
Total	$ 26,627

Statement 6 - Form 990-EZ, Part II, Line 24 - Other Assets

Description	Beginning of Year	End of Year
Student Loans	$ 191,092	$ 198,104
Inventories for Sale or Use	9,629	6,518
Equipment	72,898	73,585
Less Accumulated Depreciation	67,771	69,271
Vehicles	51,974	44,194
Less Accumulated Depreciation	30,643	16,840
Leasehold Improvements	3,960	3,960
Less Accumulated Depreciation	3,816	3,918
	227,323	236,332

Federal Statements

Statement 7 - Form 990-EZ, Part II, Line 26 - Total Liabilities

Description	Beginning of Year	End of Year
Accounts Payable and Accrued Expenses	$ 280	$ 337
	280	337

Federal Statements

Statement 8 - Form 990-EZ, Part III, Line 29 - Statement of Program Service Accomplishments

Description
THE AMERICAN LEGION, DEPARTMENT OF SOUTH DAKOTA PROVIDES SERVICES TO VETERANS BY SUPPORTING LOCAL, REGIONAL, AND NATIONAL EVENTS AND PROGRAMS FOR VETERANS AND THEIR FAMILY MEMBERS.

Federal Statements

Statement 9 - Form 4562, Line 26 - Property Used More Than 50% in a Qualified Business

Property Type	Date	Business %	Cost	Depr Basis	Period	Method	Deduction	Section 179
2005 GRAND CARAVAN	9/19/05	100.00	$ 29,233	$ 29,233	5.0	HY SL	$ 975	$
2007 CHEVROLET UPLANDER	7/30/07	100.00	22,741	22,741	5.0	HY SL	4,548	
2009 CHEVROLET UPLANDER	9/04/09	100.00	21,452	21,452	5.0	HY SL	3,575	
Total			$ 73,426	$ 73,426			$ 9,098	$ 0