Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2009

For calendar year 2009, or tax year beginning 08/01 **, 2009, and ending** 07/31 **, 20** 10

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

Use the IRS label Otherwise, print or type See Specific Instructions		
Name of foundation THE JOHNNY MERCER FOUNDATION		A Employer identification number 95-3728115
Number and street (or P O box number if mail is not delivered to street address) C/O PRAGER AND FENTON LLP,675 THIRD AVENUE	Room/suite	B Telephone number (see page 10 of the instructions) (212) 972-7555
City or town, state, and ZIP code NEW YORK, NY 10017		C If exemption application is pending check here ▶ [ ] D 1. Foreign organizations, check here ▶ [ ] 2. Foreign organizations meeting the 85% test, check here and attach computation ▶ [ ]

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

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

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶ $ 2,945,186.

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

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ [ ]

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))*

		(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 (attach schedule)	6,254.			
	2 Check ▶ [ ] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	73.	73.	73.	
	4 Dividends and interest from securities	14,269.	14,269.	14,269.	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	4,162.			
	b Gross sales price for all assets on line 6a 319,834.				
	7 Capital gain net income (from Part IV, line 2)		4,162.		
	8 Net short-term capital gain			4,162.	
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)	1,222,458.	1,222,458.	1,222,458.	ATCH 1
	12 Total. Add lines 1 through 11	1,247,216.	1,240,962.	1,240,962.	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0			
	14 Other employee salaries and wages	40,000.			30,000.
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule) ATCH 2	53,817.	46,453.	46,453.	0.
	b Accounting fees (attach schedule) ATCH 3	53,100.	8,685.	8,685.	0.
	c Other professional fees (attach schedule) *	3,424.	3,424.	3,424.	
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions) **	19,607.	39.	39.	2,504.
	19 Depreciation (attach schedule) and depletion	0			
	20 Occupancy				
	21 Travel, conferences, and meetings	48,607.			
	22 Printing and publications				
	23 Other expenses (attach schedule) ATCH 6	494,516.	455,698.	455,698.	
	24 Total operating and administrative expenses. Add lines 13 through 23	713,071.	514,299.	514,299.	32,504.
	25 Contributions, gifts, grants paid	384,000.			384,000.
	26 Total expenses and disbursements Add lines 24 and 25	1,097,071.	514,299.	514,299.	416,504.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	150,145.			
	b Net investment income (if negative, enter -0-)		726,663.		
	c Adjusted net income (if negative, enter -0-)			726,663.	

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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

		Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets 1	Cash - non-interest-bearing			
2	Savings and temporary cash investments	215,010.	364,779.	364,779.
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 (attach schedule) (see page 16 of the instructions)			
7	Other notes and loans receivable (attach schedule) ▶			
	Less allowance for doubtful accounts ▶			
8	Inventories for sale or use			
9	Prepaid expenses and deferred charges			
10 a	Investments - U S and state government obligations (attach schedule)			
b	Investments - corporate stock (attach schedule) ATCH 7	43,736.	163,446.	180,407.
c	Investments - corporate bonds (attach schedule)			
11	Investments - land, buildings and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
12	Investments - mortgage loans			
13	Investments - other (attach schedule)			
14	Land, buildings, and equipment basis ▶ 6,613.			
	Less accumulated depreciation (attach schedule) ▶ 6,613.			
15	Other assets (describe ▶ ATCH 8)	169,111.	0.	2,400,000.
16	**Total assets** (to be completed by all filers - see the instructions Also, see page 1, item I)	427,857.	528,225.	2,945,186.
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 (attach schedule)			
22	Other liabilities (describe ▶ ATCH 9)	50,000.	223.	
23	**Total liabilities** (add lines 17 through 22)	50,000.	223.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here** ▶ [X] **and complete lines 24 through 26 and lines 30 and 31.**			
24	Unrestricted	377,857.	528,002.	
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			
28	Paid-in or capital surplus, or land, bldg , and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds			
30	**Total net assets or fund balances** (see page 17 of the instructions)	377,857.	528,002.	
31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	427,857.	528,225.	

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	377,857.
2	Enter amount from Part I, line 27a	2	150,145.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	528,002.
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	528,002.

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	SEE PART IV SCHEDULE			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
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				
b				
c				
d				
e				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 }	2	4,162.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8	3	4,162.

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 page 18 of the 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	526,869.	3,308,854.	0.159230
2007	688,257.	3,563,299.	0.193152
2006	657,416.	3,601,512.	0.182539
2005	640,699.	3,447,963.	0.185820
2004	723,540.	3,403,668.	0.212577

2 **Total** of line 1, column (d)	2	0.933318
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.186664
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	2,945,193.
5 Multiply line 4 by line 3	5	549,762.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	7,267.
7 Add lines 5 and 6	7	557,029.
8 Enter qualifying distributions from Part XII, line 4	8	416,504.

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 on page 18

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 18 of the 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 ruling 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	14,533.
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	
3	Add lines 1 and 2			3	14,533.
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	14,533.
6	Credits/Payments				
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	15,600.		
b	Exempt foreign organizations-tax withheld at source	6b	0.		
c	Tax paid with application for extension of time to file (Form 8868)	6c	4,000.		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments. Add lines 6a through 6d			7	19,600.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached			8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	5,067.
11	Enter the amount of line 10 to be: **Credited to 2010 estimated tax** ▶ 5,067. **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 page 19 of the instructions for definition)?	1b		X
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation ▶ $ ________ (2) On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
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 page 19 of the instructions) ▶ CA, NY,			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? *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 page 20 of the 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 ▶ HTTP://WWW.JOHNNYMERCERFOUNDATION.COM

14 The books are in care of ▶ ROBERT MARGOLIES Telephone no ▶ 212-972-7555

Located at ▶ PRAGER & FENTON LLP 675 THIRD AVE NY, NY ZIP + 4 ▶ 10017

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

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

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

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

			Yes	No
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ 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)?	1b		X
	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 page 20 of the instructions)	2b		X
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)*	3b		X
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)*

		Yes	No
5a	During the year did the foundation pay or incur any amount to:		
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No		
	(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No		
	(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☒ Yes ☐ No		
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No		
b	If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)?	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? ☐ 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?	7b	X

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATTACHMENT 10		0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than $50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
THE JOHNNY MERCER FOUNDATION DOES NOT PAY ANY EMPLOYEE OVER		0.	0.	0.
$50,000				

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

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

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
THE JOHNNY MERCER FOUNDATION DOES NOT PAY ANY PERSON OVER $50,000 FOR		0.
PROFESSIONAL SERVICES.		

Total number of others receiving over $50,000 for professional services ▶ NONE

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 DIRECT GRANTS TO CHARITABLE ORGANIZATIONS IN THE FIELDS OF HIGHER EDUCATION, COMMUNICATIONS, MUSIC AND HEALTH. 13 ORGANIZATIONS SERVED. SEE STATEMENT C	384,000.
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments See page 24 of the instructions 3 NONE	
Total. Add lines 1 through 3 ▶	

Part X **Minimum Investment Return** (All domestic foundations must complete this part Foreign foundations, see page 24 of the instructions)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities	1a	193,698.
b	Average of monthly cash balances	1b	396,569.
c	Fair market value of all other assets (see page 24 of the instructions)	1c	2,399,777.
d	**Total** (add lines 1a, b, and c)	1d	2,990,044.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	2,990,044.
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	44,851.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	2,945,193.
6	**Minimum investment return** Enter 5% of line 5	6	147,260.

Part XI **Distributable Amount** (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ [X] and do not complete this part)

1	Minimum investment return from Part X, line 6	1	
2a	Tax on investment income for 2009 from Part VI, line 5 2a		
b	Income tax for 2009 (This does not include the tax from Part VI) 2b		
c	Add lines 2a and 2b	2c	
3	Distributable amount before adjustments Subtract line 2c from line 1	3	
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	

Part XII **Qualifying Distributions**(see page 25 of the 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	416,504.
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	0.
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	0.
b	Cash distribution test (attach the required schedule)	3b	0.
4	**Qualifying distributions** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	416,504.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	N/A
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	416,504.

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 page 26 of the instructions)

		(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7					
2 Undistributed income, if any, as of the end of 2009					
a Enter amount for 2008 only				0.	
b Total for prior years 20 07 ,20 06 ,20 05					
3 Excess distributions carryover, if any, to 2009					
a From 2004					
b From 2005					
c From 2006					
d From 2007					
e From 2008	526,869.				
f Total of lines 3a through e		526,869.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ $ 416,504.					
a Applied to 2008, but not more than line 2a				0.	
b Applied to undistributed income of prior years (Election required - see page 26 of the instructions)					
c Treated as distributions out of corpus (Election required - see page 26 of the instructions)					
d Applied to 2009 distributable amount					
e Remaining amount distributed out of corpus		416,504.			
5 Excess distributions carryover applied to 2009 *(If an amount appears in column (d), the same amount must be shown in column (a).)*					
6 **Enter the net total of each column as indicated below.**					
a Corpus Add lines 3f 4c, and 4e Subtract line 5		943,373.			
b Prior years' undistributed income Subtract line 4b from line 2b					
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed					
d Subtract line 6c from line 6b Taxable amount - see page 27 of the instructions					
e Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount - see page 27 of the instructions				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) (see page 27 of the instructions)					
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)					
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a		943,373.			
10 Analysis of line 9					
a Excess from 2005					
b Excess from 2006					
c Excess from 2007					
d Excess from 2008	526,869.				
e Excess from 2009	416,504.				

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

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 ▶ 11/30/1999

b Check box to indicate whether the foundation is a private operating foundation described in section [X] 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	147,260.	165,443.	178,165.	180,076.	670,944.
b 85% of line 2a	125,171.	140,627.	151,440.	153,065.	570,303.
c Qualifying distributions from Part XII, line 4 for each year listed	416,504.	526,869.	688,257.	657,416.	2,289,046.
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	416,504.	526,869.	688,257.	657,416.	2,289,046.
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter (1) Value of all assets	2,945,186.	2,826,716.	3,423,101.	3,572,988.	12,767,991.
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0.
b "Endowment" alternative test- enter 2/3 of minimum investment return shown in Part X line 6 for each year listed	98,173.	110,295.	118,777.	120,051.	447,296.
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)	6,254.	10,500.	9,778.	10,201.	36,733.
(2) Support from general public and 5 or more exempt organizations as provided in section 4942 (j)(3)(B)(iii)					0.
(3) Largest amount of support from an exempt organization					0.
(4) Gross investment income	1,241,048.	984,883.	983,319.	870,611.	4,079,861.

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 page 28 of 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))

N/A

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

N/A

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ▶ [ ] if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

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

ATTACHMENT 11

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

INITIAL APPROACH - LETTER

c Any submission deadlines

MAY 1

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

NONE

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
SEE STATEMENT C				384,000.
Total . . . . . ▶ **3a**				384,000.
b *Approved for future payment*				
Total . . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	73.	
4 Dividends and interest from securities			14	14,269.	
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	4,162.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b ROYALTY INCOME			15	972,458.	
c LICENSE FEES			01	175,000.	
d PROJECT INCOME			01	75,000.	
e					
12 Subtotal Add columns (b), (d) and (e)				1,240,962.	

13 Total Add line 12, columns (b), (d), and (e) . . . . . . 13 1,240,962.

(See worksheet in line 13 instructions on page 28 to verify calculations)

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

Line No ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See page 29 of the instructions)
	N/A

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		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

Sign Here

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

John D. Marshall, Jr — Signature of officer or trustee — Date 3/6/11 — Title Chairman

Paid Preparer's Use Only

Preparer's signature	Robert Margolies	Date 3/2/11	Check if self-employed ☐ — Preparer's identifying number (See Signature on page 30 of the instructions) P00037650
Firm's name (or yours if self-employed), address, and ZIP code	PRAGER AND FENTON LLP 675 THIRD AVENUE NEW YORK, NY 10017-5704	EIN 13-1813923	Phone no 212-972-7555

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 JOHNNY MERCER FOUNDATION

Employer identification number
95-3728115

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	[X] 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

[X] 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)

Name of organization THE JOHNNY MERCER FOUNDATION

Employer identification number 95-3728115

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	VARIOUS CONTRIBUTIONS LESS THAN 5,000	$ 6,254.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME
ROYALTY INCOME	972,458.	972,458.	972,458.
LICENSING FEES	175,000.	175,000.	175,000.
PROJECT INCOME	75,000.	75,000.	75,000.
TOTALS	1,222,458.	1,222,458.	1,222,458.

FORM 990PF, PART I - LEGAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
LEGAL FEES RE: ROYALTIES AND COPYRIGHTS	46,453.	46,453.	46,453.	0.
OTHER LEGAL FEES	7,364.			
TOTALS	53,817.	46,453.	46,453.	0.

THE JOHNNY MERCER FOUNDATION 95-3728115

ATTACHMENT 3

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
ACCOUNTING FEES RE: ROYALTIES AND COPYRIGHT	8,685.	8,685.	8,685.	0.
ACCOUNTING AND AUDITING FEES	44,415.			
TOTALS	53,100.	8,685.	8,685.	0.

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME
INVESTMENT MANAGEMENT FEES	3,424.	3,424.	3,424.
TOTALS	3,424.	3,424.	3,424.

FORM 990PF, PART I - TAXES

DESCRIPTION		REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
FEDERAL EXCISE TAX		15,870.			
PAYROLL TAXES		3,338.			2,504.
FILING FEES		360.			
FOREIGN TAXES		39.	39.	39.	
	TOTALS	19,607.	39.	39.	2,504.

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME
FOUNDATION OVERHEAD	12,000.		
OFFICE EXPENSE	2,699.		
INSURANCE	3,362.		
WEBSITE	6,390.		
BOOK PUBLISHING FEES	2,826.		
DUES AND SUBSCRIPTIONS	75.		
PUBLIC RELATIONS	10,465.		
OUTSIDE SERVICES-VIDEO PRODUCT	452,698.	452,698.	452,698.
OTHER FEES	976.		
BANK SERVICE CHARGE	25.		
LICENSE FEES	3,000.	3,000.	3,000.
TOTALS	494,516.	455,698.	455,698.

FORM 990PF, PART II - CORPORATE STOCK

ATTACHMENT 7

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
CORPORATE STOCKS	163,446.	180,407.
TOTALS	163,446.	180,407.

FORM 990PF, PART II - OTHER ASSETS

ATTACHMENT 8

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
JOHNNY MERCER MUSIC CATALOGUE	0.	2,400,000.
DUE FROM UBS	0.	0.
TOTALS	0.	2,400,000.

THE JOHNNY MERCER FOUNDATION 95-3728115

FORM 990PF, PART II - OTHER LIABILITIES

ATTACHMENT 9

DESCRIPTION	ENDING BOOK VALUE
CURRENT LIABILITIES	0.
DUE TO UBS	223.
TOTALS	223.

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

ATTACHMENT 10

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
MARGARET WHITING 41 WEST 58TH STREET #5A NEW YORK, NY 10019	PRES, DIR	0.	0.	0.
CHARLES S. TIGERMAN 16000 VENTURA BLVD., #1000 ENCINO, CA 91436-2730	SECY, DIR	0.	0.	0.
JOHN MARSHALL 1237 CUMBERLAND ROAD ATLANTA, GA 30306	CHAIR, DIR	0.	0.	0.
PATRICK A. LATTORE, P.H.D. 79745 NORTHWOOD LA QUINTA, CA 92253	DIR, OFFICER	0.	0.	0.
ALVIN DEUTSCH, ESQ. 260 MADISON AVENUE NEW YORK, NY 10016	DIR, OFFICER	0.	0.	0.
AL KOHN 5010 BILMOOR AVE. TARZANA, CA 91356	DIRECTOR	0.	0.	0.

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

ATTACHMENT 10 (CONT'D)

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
JEANNE ROCCON ROHM 1000 GREEN STREET, #202 SAN FRANCISCO, CA 94133	VP, TREAS, DIR	0.	0.	0.
NANCY RISHAGEN 4401 SUNSET BLVD LOS ANGELES, CA 90027	DIR, OFFICER	0.	0.	0.
NEIL J. GILLIS 32 EAST 31ST STREET, 12TH FLOOR NEW YORK, NY 10016	DIRECTOR	0.	0.	0.
AMANDA MC BROOM 167 FAIRVIEW ROAD OJAI, CA 93023	DIRECTOR	0.	0.	0.
JONATHAN BRIELLE 44 FARMERSVILLE ROAD CALIFON, NJ 07830	DIR, OFFICER	0.	0.	0.
ROBERT KIMBALL 180 WEST 58TH STEET, APT. 4D NEW YORK, NY 10019	DIRECTOR	0.	0.	0.

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
ALAN BERGMAN 714 NORTH MAPLE DRIVE BEVERLY HILLS, CA 90210	DIRECTOR	0.	0.	0.
ERVIN DRAKE 2 TOBIN AVENUE GREAT NECK, NY 11021	DIRECTOR	0.	0.	0.
EVA FRANCHI 91 SERGIO FRANCHI DRIVE STONINGTON, CT 06378	DIRECTOR	0.	0.	0.
MICHAEL A. KERKER ONE LINCOLN PLAZA NEW YORK, NY 10023	DIRECTOR	0.	0.	0.
DIANNE S. THURMAN 12 GLEN EDEN COURT SAVANNAH, GA 31419	DIRECTOR	0.	0.	0.
	GRAND TOTALS	0.	0.	0.

FORM 990PF, PART XV - NAME, ADDRESS AND PHONE FOR APPLICATIONS

FRANK P. SCARDINO
234 WEST 44 STREET, NY, NY 10036

SCHEDULE D (Form 1041)

Department of the Treasury Internal Revenue Service

Capital Gains and Losses

▶ Attach to Form 1041, Form 5227, or Form 990-T. See the instructions for Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).

OMB No 1545-0092

2009

Name of estate or trust: THE JOHNNY MERCER FOUNDATION

Employer identification number: 95-3728115

Note: *Form 5227 filers need to complete only Parts I and II*

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					

b	Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	4,162.
2	Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3	Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4	Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2008 Capital Loss Carryover Worksheet	4	( )
5	**Net short-term gain or (loss)** Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back ▶	5	4,162.

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					

b	Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	
7	Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8	Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9	Capital gain distributions	9	
10	Gain from Form 4797, Part I	10	
11	Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2008 Capital Loss Carryover Worksheet	11	( )
12	**Net long-term gain or (loss).** Combine lines 6a through 11 in column (f) Enter here and on line 14a, column (3) on the back ▶	12	

For Paperwork Reduction Act Notice, see the Instructions for Form 1041

Part III Summary of Parts I and II
Caution: *Read the instructions before completing this part*

			(1) Beneficiaries' (see page 5)	(2) Estate's or trust's	(3) Total
13	**Net short-term gain or (loss)**	13			4,162.
14	**Net long-term gain or (loss)**				
a	Total for year	14a			
b	Unrecaptured section 1250 gain (see line 18 of the wrksht)	14b			
c	28% rate gain	14c			
15	**Total net gain or (loss).** Combine lines 13 and 14a ▶	15			4,162.

Note. *If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a) If lines 14a and 15, column (2), are net gains, go to Part V, and* ***do not*** *complete Part IV If line 15, column (3), is a net loss, complete Part IV and the* ***Capital Loss Carryover Worksheet****, if necessary*

Part IV Capital Loss Limitation

16 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust) , the **smaller** of
a The loss on line 15, column (3) **or** b $3,000 . . . 16 ( )

Note: *If the loss on line 15, column (3), is more than $3,000,* ***or*** *if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the* ***Capital Loss Carryover Worksheet*** *on page 7 of the instructions to figure your capital loss carryover*

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), **and** Form 1041, line 22, is more than zero

Caution: *Skip this part and complete the worksheet on page 8 of the instructions if*

- *Either line 14b, col (2) or line 14c, col (2) is more than zero, or*
- *Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero*

Form 990-T trusts Complete this part **only** if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, **and** Form 990-T, line 34, is more than zero Skip this part and complete the worksheet on page 8 of the instructions if either line 14b, col (2) or line 14c, col (2) is more than zero

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)			17			
18	Enter the **smaller** of line 14a or 15 in column (2) but not less than zero	18					
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19					
20	Add lines 18 and 19	20					
21	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- ▶	21					
22	Subtract line 21 from line 20 If zero or less, enter -0-			22			
23	Subtract line 22 from line 17 If zero or less, enter -0-			23			
24	Enter the **smaller** of the amount on line 17 or $2,300			24			
25	Is the amount on line 23 equal to or more than the amount on line 24? ☐ **Yes.** Skip lines 25 and 26, go to line 27 and check the "No" box ☐ **No.** Enter the amount from line 23			25			
26	Subtract line 25 from line 24			26			
27	Are the amounts on lines 22 and 26 the same? ☐ **Yes.** Skip lines 27 thru 30 go to line 31 ☐ **No.** Enter the smaller of line 17 or line 22			27			
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)			28			
29	Subtract line 28 from line 27			29			
30	Multiply line 29 by 15% (.15)					30	
31	Figure the tax on the amount on line 23 Use the 2009 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)					31	
32	Add lines 30 and 31					32	
33	Figure the tax on the amount on line 17 Use the 2009 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)					33	
34	**Tax on all taxable income** Enter the **smaller** of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)					34	

SCHEDULE D-1
(Form 1041)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule D (Form 1041)

▶ See instructions for Schedule D (Form 1041).
▶ Attach to Schedule D to list additional transactions for lines 1a and 6a.

OMB No 1545-0092

2009

Name of estate or trust: THE JOHNNY MERCER FOUNDATION

Employer identification number: 95-3728115

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price (see page 4 of the instructions)	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
1a SEE STATEMENT A	VARIOUS	VARIOUS	174,989.	171,917.	3,072.
SEE STATEMENT B	VARIOUS	VARIOUS	144,845.	143,755.	1,090.

1b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 1b . . . . 4,162.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041. Schedule D-1 (Form 1041) 2009

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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 JOHNNY MERCER FOUNDATION

Identifying number: 95-3728115

Business or activity to which this form relates: GENERAL DEPRECIATION

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	
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	
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 instructions)

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

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

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2009	17	
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						
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	
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	
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	

JSA **For Paperwork Reduction Act Notice, see separate instructions.**
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Form **4562** (2009)

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? [ ] Yes [X] 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								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h) lines 25 through 27. Enter here and on line 21, page 1						28		
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?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

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	

Description of Property

GENERAL DEPRECIATION

DEPRECIATION

Asset description	Date placed in service	Unadjusted Cost or basis	Bus %	179 exp reduction in basis	Basis Reduction	Basis for depreciation	Beginning Accumulated depreciation	Ending Accumulated depreciation	Me-thod	Conv	Life	ACRS class	MA CRS class	Current-year 179 expense	Current-year depreciation
COMPUTER MONITOR	06/05/1996	379	100 000			379	379	379	DDB		7 000				
COPY/FAX/PRINTER	10/09/1996	2,363	100 000			2,363	2,363	2,363	DDB		7 000				
TELEPHONE	12/24/1996	134	100 000			134	134	134	DDB		7 000				
COMPUTER	09/26/1997	1,361	100 000			1,361	1,361	1,361	200DB	HY			7		
COMPUTER	02/04/2003	2,376	100 000		713	1,663	1,663	1,663	200DB	HY			5		
Less Retired Assets															
Subtotals		6,613			713	5,900	5,900	5,900							

Listed Property

Asset description	Date placed in service	Unadjusted Cost or basis	Bus %	179 exp reduction in basis	Basis Reduction	Basis for depreciation	Beginning Accumulated depreciation	Ending Accumulated depreciation	Me-thod	Conv	Life	ACRS class	MA CRS class	Current-year 179 expense	Current-year depreciation
Less Retired Assets															
Subtotals															
TOTALS		6,613			713	5,900	5,900	5,900							

AMORTIZATION

Asset description	Date placed in service	Cost or basis	Accumulated amortization	Ending Accumulated amortization	Code	Life	Current-year amortization
JMMP CATALOG	09/26/1996	273,980.	273,980	273,980	A	10 000	
JMMC CATALOG	07/31/1999	1,490,505	1,490,505	1,490,505	A	10 000	
TOTALS		1,764,485.	1,764,485.	1,764,485.			

*Assets Retired

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UBS

Prepared for THE JOHNNY MERCER FOUNDATION
CO 15162 • PMP/MOD • BSA
Risk profile Moderate
Return objective Current Income and Capital Appreciation

Realized gain/(loss)

from 8/1/2009 to 7/31/2010

						Gain or Loss		
Quantity	Description	Purchase Date	Purchase Amount	Sale Date	Sale Amount	Realized Gain/(Loss)	Percent Gain/(Loss)	Term
345.50	FEDERATED MARKET OPPORTUNITY FUND CLASS A	04/07/2009	3,755.56	12/14/2009	3,672.64	-82.92	-2.21%	S
291.74	FEDERATED MARKET OPPORTUNITY FUND CLASS A	04/07/2009	3,171.17	10/22/2009	3,086.57	-84.60	-2.67%	S
97.00	FINANCIAL SECTOR SPDR TRUST ETF	09/28/2009	1,447.81	11/05/2009	1,380.27	-67.54	-4.66%	S
95.00	FINANCIAL SECTOR SPDR TRUST ETF	09/28/2009	1,417.95	10/29/2009	1,396.38	-21.57	-1.52%	S
1.00	FINANCIAL SECTOR SPDR TRUST ETF	10/22/2009	15.31	11/05/2009	14.23	-1.08	-7.05%	S
163.00	FIRST TRUST ISE-REV NAT GAS	10/12/2009	2,927.48	11/13/2009	2,700.84	-226.64	-7.74%	S
157.00	FIRST TRUST NASDAQ 100 TECHNOLOGY INDEX FUND ETF	07/21/2009	2,676.85	09/25/2009	2,923.86	247.01	9.23%	S
105.00	FIRST TRUST NASDAQ 100 TECHNOLOGY INDEX FUND ETF	01/06/2010	2,276.86	02/11/2010	2,127.87	-148.99	-6.54%	S
305.32	GOLDMAN SACHS SMALL MID CAP GROWTH FUND CLASS A	12/14/2009	3,669.95	02/11/2010	3,630.25	-39.70	-1.08%	S
296.75	GOLDMAN SACHS SMALL MID CAP GROWTH FUND CLASS A	01/06/2010	3,771.68	02/11/2010	3,528.35	-243.33	-6.45%	S
84.00	GREENHAVEN CONTINUOUS COMMODITY INDEX FUND	11/13/2009	2,100 84	01/28/2010	2,120.97	20.13	0.96%	S
32.00	GREENHAVEN CONTINUOUS COMMODITY INDEX FUND	11/13/2009	800.32	01/06/2010	870.31	69.99	8.75%	S
389.79	HENDERSON GLOBAL INVESTORS INTL OPPORTUNITIES FUND A	07/16/2009	6,949.99	08/20/2009	7,355.38	405 39	5 83%	S
182.98	HENDERSON GLOBAL INVESTORS INTL OPPORTUNITIES FUND A	07/31/2009	3,452.93	02/05/2010	3,374.32	-78 61	-2.28%	S
206.81	HENDERSON GLOBAL INVESTORS INTL OPPORTUNITIES FUND A	07/31/2009	3,902 45	10/22/2009	4,254.03	351.58	9.01%	S
0.67	HENDERSON GLOBAL INVESTORS INTL OPPORTUNITIES FUND A	12/30/2009	13.53	02/05/2010	12.39	-1.14	-8 43%	S
190.20	HENDERSON GLOBAL INVESTORS INTL OPPORTUNITIES FUND A	01/06/2010	3,897.18	02/05/2010	3,507.35	-389.83	-10.00%	S
69.00	ISHARES DOW JONES US HEALTH CARE INDEX	07/30/2009	2,891.10	09/24/2009	2,964.70	73.60	2.55%	S
72.00	ISHARES DOW JONES US OIL & EQUIPMENT & SERVICES INDEX FUND	08/24/2009	2,783.43	09/24/2009	2,915.20	131.77	4.73%	S
54.00	ISHARES INC MSCI PAC EX JAPAN INDEX FUND	09/28/2009	2,171.35	01/21/2010	2,191.70	20.35	0.94%	S
15.00	ISHARES INC MSCI PAC EX JAPAN INDEX FUND	09/28/2009	603.15	01/06/2010	647.38	44.23	7.33%	S

Report created on: August 25, 2010

Statement A

UBS

Prepared for THE JOHNNY MERCER FOUNDATION
CO 15162 • PMP/MOD • BSA
Risk profile: Moderate
Return objective: Current Income and Capital Appreciation

Realized gain/(loss) - from 8/1/2009 to 7/31/2010 (continued)

Quantity	Description	Purchase Date	Purchase Amount	Sale Date	Sale Amount	Gain or Loss: Realized Gain/(Loss)	Gain or Loss: Percent Gain/(Loss)	Term
2.00	ISHARES INC MSCI PAC EX JAPAN INDEX FUND	09/28/2009	80.42	10/22/2009	86.43	6.01	7.47%	S
48.00	ISHARES MSCI BRIC	12/21/2009	2,143.20	01/26/2010	2,056.75	-86.45	-4.03%	S
41.00	ISHARES MSCI EMERGING MARKETS INDEX FUND	07/30/2009	1,472.22	02/05/2010	1,512.88	40.66	2.76%	S
38.00	ISHARES MSCI EMERGING MARKETS INDEX FUND	07/30/2009	1,364.50	01/06/2010	1,640.39	275 89	20.22%	S
80.00	ISHARES MSCI EMERGING MARKETS INDEX FUND	07/30/2009	2,872.62	08/31/2009	2,823.92	-48.70	-1.70%	S
34.00	ISHARES MSCI EMERGING MARKETS INDEX FUND	09/24/2009	1,292.33	02/05/2010	1,254.58	-37.75	-2.92%	S
31.00	ISHARES MSCI EMERGING MARKETS INDEX FUND	10/22/2009	1,276.27	02/05/2010	1,143.88	-132 39	-10.37%	S
58.00	ISHARES MSCI EMERGING MARKETS INDEX FUND	01/21/2010	2,361.17	02/05/2010	2,140.17	-221.00	-9.36%	S
56.00	ISHARES MSCI EMERGING MARKETS INDEX FUND	01/26/2010	2,211.35	02/05/2010	2,066.37	-144 98	-6.56%	S
10.00	ISHARES TRUST DJ U.S BASIC MATERIALS SECTR INDEX FD	10/12/2009	569.20	02/11/2010	570.32	1.12	0.20%	S
15.00	ISHARES TRUST DJ U.S BASIC MATERIALS SECTR INDEX FD	10/12/2009	853.80	01/06/2010	954.30	100.50	11.77%	S
26.00	ISHARES TRUST DJ U S BASIC MATERIALS SECTR INDEX FD	11/05/2009	1,444.52	02/11/2010	1,482.84	38.32	2.65%	S
49.00	ISHARES TRUST DJ US REAL STATE INDEX FUND	01/06/2010	2,243.20	02/11/2010	2,094.72	-148.48	-6.62%	S
48.00	ISHARES TRUST RUSSELL 2000 GROWTH INDEX FD	07/30/2009	2,962.35	08/20/2009	2,930.54	-31.81	-1.07%	S
27.00	ISHARES TRUST S&P GLOBAL CONSUMER STAPLES INDEX FUND	07/14/2009	1,286 01	08/04/2009	1,370.89	84.88	6.60%	S
27.00	ISHARES TRUST S&P GLOBAL CONSUMER STAPLES INDEX FUND	07/20/2009	1,321.38	08/04/2009	1,370 89	49.51	3.75%	S
26.00	ISHARES TRUST S&P GLOBAL INFORMATION TECHNOLOGY SECTOR INDEX FUND	07/30/2009	1,279.46	02/11/2010	1,377.99	98.53	7.70%	S
98.00	ISHARES TRUST S&P GLOBAL INFORMATION TECHNOLOGY SECTOR INDEX FUND	07/30/2009	4,822.58	01/06/2010	5,574.25	751.67	15.59%	S
15.00	ISHARES TRUST S&P GLOBAL INFORMATION TECHNOLOGY SECTOR INDEX FUND	10/22/2009	801.44	02/11/2010	795.00	-6.44	-0.80%	S
79.00	ISHARES TRUST S&P GLOBAL MATERIALS INDEX FUND	07/31/2009	4,160.14	09/25/2009	4,335.74	175.60	4.22%	S
45.00	ISHARES TRUST S&P LATIN AMER 40 INDEX FUND	12/11/2009	2,189.65	01/21/2010	2,040.53	-149.12	-6.81%	S
41.00	ISHARES TRUST S&P MID CAP 400 INDEX FUND	09/28/2009	2,840.38	10/29/2009	2,777.91	-62.47	-2.20%	S
30.00	ISHARES TRUST S&P MID CAP 400 INDEX FUND	01/07/2010	2,227.79	01/26/2010	2,174.63	-53.16	-2.39%	S
362.40	IVY ASSET STRATEGY FUND CLASS A	02/10/2009	6,490.64	08/21/2009	7,396.65	906.01	13.96%	S
28.50	IVY ASSET STRATEGY FUND CLASS A	07/31/2009	581.64	10/22/2009	635.80	54.16	9 31%	S
333.90	IVY ASSET STRATEGY FUND CLASS A	07/31/2009	6,815.00	02/11/2010	7,242.40	427.40	6.27%	S

Report created on: August 25, 2010

Statement A

UBS

Prepared for THE JOHNNY MERCER FOUNDATION
CO 15162 • PMP/MOD • BSA
Risk profile. Moderate
Return objective Current Income and Capital Appreciation

Realized gain/(loss) - from 8/1/2009 to 7/31/2010 (continued)

						Gain or Loss		
Quantity	Description	Purchase Date	Purchase Amount	Sale Date	Sale Amount	Realized Gain/(Loss)	Percent Gain/(Loss)	Term
1 38	IVY ASSET STRATEGY FUND CLASS A	12/10/2009	30.60	02/11/2010	30 02	-0.58	-1.90%	S
327.98	IVY ASSET STRATEGY FUND CLASS A	01/06/2010	7,579.59	02/11/2010	7,113 86	-465.73	-6.14%	S
59.00	MARKET VECTORS GOLD MINERS ETF	10/08/2009	2,898.42	10/29/2009	2,581.08	-317.34	-10.95%	S
19.00	MARKET VECTORS GOLD MINERS ETF	10/22/2009	893.49	10/29/2009	831.20	-62.29	-6.97%	S
222.00	POWERSHARES GLOBAL EXCHANGE TRADED FD TR PREFERRED PORTFOLIO	07/30/2009	2,902.29	10/05/2009	2,988.11	85.82	2.96%	S
35.00	POWERSHARES QQQ TRUST SER 1	07/20/2009	1,304.10	08/13/2009	1,398.92	94.82	7.27%	S
16.00	POWERSHARES QQQ TRUST SER 1	11/12/2009	698.72	01/06/2010	739.58	40.86	5.85%	S
50.00	POWERSHARES QQQ TRUST SER 1	11/12/2009	2,183.50	02/11/2010	2,183.01	-0.49	-0.02%	S
77.00	RYDEX ETF TRUST S&P 500 EQUAL WEIGHTED INDEX FUND INC	08/20/2009	2,677.95	11/12/2009	2,917.07	239 12	8.93%	S
7 00	RYDEX ETF TRUST S&P 500 EQUAL WEIGHTED INDEX FUND INC	08/20/2009	243.45	01/06/2010	283.51	40 06	16.46%	S
72.00	RYDEX ETF TRUST S&P 500 EQUAL WEIGHTED INDEX FUND INC	08/31/2009	2,554.26	01/06/2010	2,916.10	361.84	14 17%	S
20.00	RYDEX ETF TRUST S&P 500 EQUAL WEIGHTED INDEX FUND INC	09/24/2009	739.52	02/11/2010	771.42	31.90	4.31%	S
58.00	RYDEX ETF TRUST S&P 500 EQUAL WEIGHTED INDEX FUND INC	09/24/2009	2,144.60	01/06/2010	2,349.08	204.48	9 53%	S
58.00	RYDEX ETF TRUST S&P 500 EQUAL WEIGHTED INDEX FUND INC	10/01/2009	2,116.27	02/11/2010	2,237.12	120 85	5.71%	S
92.00	RYDEX ETF TRUST S&P 500 EQUAL WEIGHTED INDEX FUND INC	10/22/2009	3,553.31	02/11/2010	3,548.53	-4.78	-0.13%	S
50.00	RYDEX ETF TRUST S&P 500 EQUAL WEIGHTED INDEX FUND INC	01/26/2010	1,966.95	02/11/2010	1,928.55	-38.40	-1.95%	S
29.00	SPDR GOLD TRUST	05/12/2009	2,622.61	10/08/2009	3,001.83	379.22	14.46%	S
21.00	SPDR GOLD TRUST	10/29/2009	2,156.28	01/11/2010	2,372.21	215 93	10.01%	S
13.00	SPDR GOLD TRUST	10/29/2009	1,334.84	01/06/2010	1,451.42	116 58	8.73%	S
74.00	SPDR OIL & GAS EQUIP & SERV ETF	01/11/2010	2,292.52	02/11/2010	2,100.87	-191.65	-8.36%	S
55.00	SPDR S&P BIOTECH ETF	07/31/2009	3,040.95	10/01/2009	2,886.87	-154.08	-5.07%	S
28.00	SPDR S&P EMERGING EUROPE ETF	09/22/2009	1,133.58	02/04/2010	1,171.49	37.91	3.34%	S
39.00	SPDR S&P EMERGING EUROPE ETF	09/22/2009	1,578.92	01/06/2010	1,803.26	224.34	14.21%	S
41.00	SPDR S&P EMERGING EUROPE ETF	09/22/2009	1,659.89	12/11/2009	1,685.05	25.16	1.52%	S
22.00	SPDR S&P EMERGING EUROPE ETF	10/22/2009	1,006.45	02/04/2010	920.45	-86.00	-8.54%	S
49.00	SPDR S&P EMERGING EUROPE ETF	01/21/2010	2,192.97	02/04/2010	2,050.10	-142.87	-6.51%	S

Report created on: August 25, 2010

Statement A

UBS

Prepared for THE JOHNNY MERCER FOUNDATION
CO 15162 • PMP/MOD • BSA
Risk profile: Moderate
Return objective Current Income and Capital Appreciation

Realized gain/(loss) - from 8/1/2009 to 7/31/2010 (continued)

Quantity	Description	Purchase Date	Purchase Amount	Sale Date	Sale Amount	Gain or Loss: Realized Gain/(Loss)	Percent Gain/(Loss)	Term
78.00	SPDR S&P OIL & GAS EXPLORATION ETF	08/07/2009	2,754.18	09/21/2009	2,974.59	220.41	8.00%	S
78.00	SPDR S&P SEMICONDUCTOR ETF	07/30/2009	2,996.25	09/18/2009	3,228.03	231.78	7.74%	S
TOTAL GAINS:						7,045.39		
TOTAL LOSS:						-3,972.91		
SHORT TERM - TOTAL REALIZED GAIN/(LOSS):						3,072.48		S
LONG TERM - TOTAL REALIZED GAIN/(LOSS):						0.00		L
TOTAL REALIZED GAIN/(LOSS):			171,916.61		174,989.09	3,072.48	1.79%	

Long-Term Capital Gain/Loss	0	0	0
Short-Term Capital gain/Loss	171,916.61	174.989.09	(3,072.48)

Report created on. August 25, 2010

Statement A

UBS

Prepared for THE JOHNNY MERCER FOUNDATION
CO 15150 • PMP/YIELD • Portfolio Management Program
Risk profile: Moderate
Return objective: Current Income and Capital Appreciation

Realized gain/(loss)

from 8/1/2009 to 7/31/2010

						Gain or Loss		
Quantity	Description	Purchase Date	Purchase Amount	Sale Date	Sale Amount	Realized Gain/(Loss)	Percent Gain/(Loss)	Term
424.00	CALAMOS CV OPPORTUNITIES & INCOME FD (HIGH YIELD) COM SHS BENEFICIAL INT	07/31/2009	4,662.51	01/19/2010	5,398.56	736.05	15.79%	S
283.00	CELLCOM ISRAEL LTD	01/05/2010	9,310.53	05/06/2010	7,465.37	-1,845 16	-19.82%	S
56.00	COPANO ENERGY LLC COM UNITS MLP	12/11/2009	1,189.69	01/19/2010	1,397.81	208 12	17.49%	S
58.00	EATON VANCE ENHANCED EQUITY INCOME FD II	07/31/2009	773.53	09/30/2009	767.18	-6 35	-0.82%	S
182.00	EATON VANCE ENHANCED EQUITY INCOME FD II	07/31/2009	2,427.30	09/29/2009	2,402.37	-24.93	-1.03%	S
547.00	EATON VANCE ENHANCED EQUITY INCOME FD II	07/31/2009	7,295.23	09/28/2009	7,225.11	-70.12	-0 96%	S
241.00	EATON VANCE ENHANCED EQUITY INCOME FUND	07/31/2009	3,176.34	10/07/2009	3,248 59	72.25	2.27%	S
85.00	EATON VANCE ENHANCED EQUITY INCOME FUND	07/31/2009	1,120.29	10/06/2009	1,147.47	27.18	2.43%	S
25.00	EATON VANCE ENHANCED EQUITY INCOME FUND	07/31/2009	329.50	10/01/2009	343.74	14.24	4.32%	S
130.00	EATON VANCE ENHANCED EQUITY INCOME FUND	07/31/2009	1,713.38	09/30/2009	1,790.22	76 84	4 48%	S
229.00	EATON VANCE ENHANCED EQUITY INCOME FUND	07/31/2009	3,018.18	09/29/2009	3,148.66	130 48	4.32%	S
18.00	EATON VANCE ENHANCED EQUITY INCOME FUND	07/31/2009	237.24	09/28/2009	247.93	10.69	4.51%	S
108.00	EATON VANCE RISK-MANAGED DIVERSIFIED EQUITY INCOME FUND	07/13/2009	1,824.54	11/23/2009	1,756.51	-68.03	-3.73%	S
150.00	EATON VANCE RISK-MANAGED DIVERSIFIED EQUITY INCOME FUND	07/13/2009	2,534.09	12/04/2009	2,433.33	-100.76	-3.98%	S
16.00	EATON VANCE RISK-MANAGED DIVERSIFIED EQUITY INCOME FUND	07/13/2009	270.30	12/02/2009	261.75	-8.55	-3 16%	S
163.00	EATON VANCE RISK-MANAGED DIVERSIFIED EQUITY INCOME FUND	07/13/2009	2,753.71	12/01/2009	2,658.46	-95.25	-3.46%	S
358.00	EATON VANCE RISK-MANAGED DIVERSIFIED EQUITY INCOME FUND	07/13/2009	6,048 03	11/27/2009	5,799.51	-248.52	-4.11%	S
43.00	EATON VANCE RISK-MANAGED DIVERSIFIED EQUITY INCOME FUND	07/13/2009	726.44	11/24/2009	696.74	-29.70	-4.09%	S
26.00	ENBRIDGE ENERGY PARTNERS LP MLP	07/31/2009	1,207.96	01/19/2010	1,432.89	224.93	18.62%	S
171.00	ENBRIDGE ENERGY PARTNERS LP MLP	07/31/2009	7,944.66	07/29/2010	9,203.92	1,259.26	15.85%	S
344.00	ENTERPRISE PRODUCTS PARTNER LP MLP	07/31/2009	9,686.70	10/05/2009	9,751.89	65.19	0.67%	S
54.00	ING GLOBAL EQUITY DIVID & PREM OPPORTUNITY FUND	11/23/2009	658.69	01/05/2010	664.27	5.58	0.85%	S
154.00	ING GLOBAL EQUITY DIVID & PREM OPPORTUNITY FUND	11/23/2009	1,878.49	12/29/2009	1,904.71	26.22	1.40%	S
100.00	ING GLOBAL EQUITY DIVID & PREM OPPORTUNITY FUND	11/24/2009	1,221.00	01/05/2010	1,230.13	9.13	0.75%	S

Report created on. August 25, 2010

Statement B

UBS

Prepared for THE JOHNNY MERCER FOUNDATION
CO 15150 • PMP/YIELD • Portfolio Management Program
Risk profile: Moderate
Return objective Current Income and Capital Appreciation

Realized gain/(loss) - from 8/1/2009 to 7/31/2010 (continued)

Quantity	Description	Purchase Date	Purchase Amount	Sale Date	Sale Amount	Gain or Loss: Realized Gain/(Loss)	Gain or Loss: Percent Gain/(Loss)	Term
5.00	ING GLOBAL EQUITY DIVID & PREM OPPORTUNITY FUND	11/25/2009	62.05	01/05/2010	61.51	-0 54	-0 87%	S
82.00	ING GLOBAL EQUITY DIVID & PREM OPPORTUNITY FUND	12/01/2009	1,013.76	01/05/2010	1,008.71	-5.05	-0.50%	S
330.00	ING GLOBAL EQUITY DIVID & PREM OPPORTUNITY FUND	12/01/2009	4,079.80	01/06/2010	4,065.49	-14.31	-0.35%	S
1,116.00	MFA FINANCIAL INC	08/10/2009	8,581.59	10/29/2009	8,336.30	-245.29	-2.86%	S
20.00	NICHOLAS APPLEGATE CONV & INCOME FUND II	12/21/2009	166.40	01/04/2010	169.79	3.39	2.04%	S
279.00	NICHOLAS APPLEGATE CONV & INCOME FUND II	12/22/2009	2,357.29	01/05/2010	2,368.64	11.35	0.48%	S
57.00	NICHOLAS APPLEGATE CONV & INCOME FUND II	12/22/2009	481.60	01/04/2010	483.92	2.32	0.48%	S
5.00	NICHOLAS APPLEGATE CONV & INCOME FUND II	01/22/2010	41.00	02/01/2010	41.99	0.99	2.41%	S
159.00	NUSTAR ENERGY LP UNITS	01/05/2010	9,286.91	04/13/2010	9,925.93	639.02	6.88%	S
42 00	NUVEEN TAX ADV TOTAL RETURN STRATEGY FUND	10/16/2009	438.47	11/09/2009	422.11	-16.36	-3.73%	S
43.00	NUVEEN TAX ADV TOTAL RETURN STRATEGY FUND	10/19/2009	457.48	11/09/2009	432.16	-25.32	-5.53%	S
171 00	NUVEEN TAX ADV TOTAL RETURN STRATEGY FUND	10/20/2009	1,807.66	11/09/2009	1,718.59	-89.07	-4.93%	S
46 00	NUVEEN TAX ADV TOTAL RETURN STRATEGY FUND	10/21/2009	486.65	11/09/2009	462.31	-24.34	-5.00%	S
121 00	NUVEEN TAX ADV TOTAL RETURN STRATEGY FUND	10/21/2009	1,280 10	11/10/2009	1,216.01	-64.09	-5.01%	S
338.00	POWERSHARES EMERGING MARKETS SOVEREIGN DEPT	10/05/2009	8,858.98	12/11/2009	8,656.00	-202.98	-2.29%	S
65.00	POWERSHARES GLOBAL EXCHANGE TRADED FD TR PREFERRED PORTFOLIO	07/31/2009	853 45	10/16/2009	869.31	15.86	1.86%	S
234 00	POWERSHARES GLOBAL EXCHANGE TRADED FD TR PREFERRED PORTFOLIO	07/31/2009	3,072.42	10/15/2009	3,134.31	61.89	2 01%	S
358.00	POWERSHARES GLOBAL EXCHANGE TRADED FD TR PREFERRED PORTFOLIO	07/31/2009	4,700.54	10/20/2009	4,770.26	69.72	1 48%	S
57.00	VANGUARD BD INDEX FD INC INTER TERM BOND ETF	09/03/2009	4,553.19	10/26/2009	4,526.35	-26.84	-0.59%	S
49.00	VANGUARD BD INDEX FD INC INTER TERM BOND ETF	09/03/2009	3,914.15	10/21/2009	3,921.36	7.21	0.18%	S
254.00	VERIZON COMMUNICATIONS INC	07/31/2009	8,170.16	08/10/2009	7,816.75	-353 41	-4.33%	S
232.00	WESTERN ASSET MANAGED HIGH INCOME FUND INC	07/30/2009	1,192.46	01/05/2010	1,351.06	158.60	13 30%	S

Report created on: August 25, 2010

Statement B

UBS

Prepared for THE JOHNNY MERCER FOUNDATION
CO 15150 • PMP/YIELD • Portfolio Management Program
Risk profile. Moderate
Return objective. Current Income and Capital Appreciation

Realized gain/(loss) - from 8/1/2009 to 7/31/2010 (continued)

Quantity	Description	Purchase Date	Purchase Amount	Sale Date	Sale Amount	Gain or Loss: Realized Gain/(Loss)	Gain or Loss: Percent Gain/(Loss)	Term
244.00	WESTERN ASSET MANAGED HIGH INCOME FUND INC	07/30/2009	1,254 14	01/04/2010	1,422 48	168.34	13 42%	S
39.00	WESTERN ASSET MANAGED HIGH INCOME FUND INC	07/30/2009	200.46	12/31/2009	227.36	26.90	13.42%	S
104.00	WESTERN ASSET MANAGED HIGH INCOME FUND INC	07/30/2009	534.55	12/30/2009	606.30	71.75	13.42%	S
83.00	WESTERN ASSET MANAGED HIGH INCOME FUND INC	07/30/2009	426.61	12/29/2009	483.91	57.30	13.43%	S
676.00	WESTERN ASSET MANAGED HIGH INCOME FUND INC	07/30/2009	3,474.57	12/28/2009	3,968.75	494.18	14.22%	S
TOTAL GAINS:						4,654.98		
TOTAL LOSS:						-3,564.97		
SHORT TERM - TOTAL REALIZED GAIN/(LOSS):						1,090.01		S
LONG TERM - TOTAL REALIZED GAIN/(LOSS):						0.00		L
TOTAL REALIZED GAIN/(LOSS):			143,754.77		144,844.78	1,090.01	0.76%	

Long-Term Capital Gain/Loss	0	0	0
Short-Term Capital Gain/Loss	143,754.77	144,844.78	(1,090.01)

Report created on: August 25, 2010

Statement 13

STATEMENT C

RECIPIENT NAME	ADDRESS	FOUNDATION STATUS OF RECIPIENT	GRANT OR CONTRIBUTION		AMOUNT
Northwestern University	2020 Ridge Avenue, 3rd Floor Evanston, IL 60208-4305	Public Charity	Unrestricted	8561	65,000
Georgia State University	P O Box 3983, Atlanta GA 30302-3983	Public Charity	Unrestricted	8561	48,000
Braille Institute	741 North Vermont Avenue, Los Angeles, CA 90029	Public Charity	Unrestricted	8561	43,200
KCET	4401 Sunset Blvd, Los Angeles, CA 90027	Public Charity	Unrestricted	8561	43,200
Children's Hospital LA	4650 Sunset Blvd, # 29, Los Angeles, CA 90027	Public Charity	Unrestricted	8561	43,200
Art of the Brain	710 Westwood Plaza, Suite 1-230, Los Angeles, CA 90095	Public Charity	Unrestricted	8561	18,000
Los Angeles Philharmonic	151 South Grand Avenue, Los Angeles, CA 90012-3034	Public Charity	Unrestricted	8561	12,000
Los Angeles Audubon Society	7377 Santa Monica Blvd, West Hollywood, CA 90046	Public Charity	Unrestricted	8561	7,200
Los Angeles County Museum of Art	5905 Wilshire Blvd, Los Angeles, California 90036	Public Charity	Unrestricted	8561	7,200
Paley Center for Media	25 West 52 Street, New York, NY 10019	Public Charity	Unrestricted	8562	2,000 TB
Camp Broadway	145 West 45th Street, 7th floor, New York, NY 10036	N/A	Unrestricted	8563	95,000 TB
					$ 384,000

THE JOHNNY MERCER FOUNDATION 95-3728115

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		SEE STATEMENT A					VARIOUS	VARIOUS
174,989.		171,917.					3,072.	
		SEE STATEMENT B					VARIOUS	VARIOUS
144,845.		143,755.					1,090.	
TOTAL GAIN (LOSS)							4,162.	

Form **8868** (Rev April 2009)

Department of the Treasury Internal Revenue Service

Appl. .tion for Extension of Time T. .le an Exempt Organization Return

OMB No. 1545-1709

▶ **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 ▶ [X]
- 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 From 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	**Employer identification number**
File by the due date for filing your return See instructions	THE JOHNNY MERCER FOUNDATION	95-3728115
	Number, street, and room or suite no. If a P O. box, see instructions. C/O PRAGER AND FENTON LLP, 675 THIRD AVENUE	
	City, town or post office, state, and ZIP code For a foreign address, see instructions. NEW YORK, NY 10017	

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

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

- The books are in the care of ▶ ROBERT MARGOLIES

Telephone No ▶ 212 972-7555 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 03/15, 2011, to file the exempt organization return for the organization named above The extension is for the organization's return for.

▶ [ ] calendar year ______ or
▶ [X] tax year beginning 08/01, 2009, and ending 07/31, 2010

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	$ 19,600.
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	$ 15,600.
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 PAID USING EFTPS	3c	$ 4,000.

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.

For Privacy Act and Paperwork Reduction Act Notice, see Instructions. Form **8868** (Rev 4-2009)

JSA
9F8054 2 000