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

2010

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

For calendar year 2010, or tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

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

Name of foundation <b>The Taylor Foundation</b> <b>c/o Taylor, Ganson &amp; Perrin, LLP</b>		A Employer identification number <b>04-6855950</b>	
Number and street (or P O box number if mail is not delivered to street address) <b>160 Federal Street</b>		Room/suite	
City or town, state, and ZIP code <b>Boston, MA 02110</b>			
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		C If exemption application is pending, check here ► <input type="checkbox"/> D 1. Foreign organizations, check here ► <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation ► <input type="checkbox"/>	
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) <b>► \$ 2,263,669.</b>	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	E If private foundation status was terminated under section 507(b)(1)(A), check here ► <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► <input type="checkbox"/>	
<b>Part I Analysis of Revenue and Expenses</b> (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books (b) Net investment income (c) Adjusted net income (d) Disbursements for charitable purposes (cash basis only)	
1 Contributions, gifts, grants, etc., received			
2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B			
3 Interest on savings and temporary cash investments			
4 Dividends and interest from securities			
5a Gross rents			
b Net rental income or (loss) _____			
6a Net gain or (loss) from sale of assets not on line 10 Gross sales price for all assets on line 6a <b>81,837.</b>		<b>&lt;9,256.►</b>	
7 Capital gain net income (from Part IV, line 2)		<b>0.</b>	
8 Net short-term capital gain			
9 Income modifications Gross sales less returns and allowances			
10a b Less Cost of goods sold			
c Gross profit or (loss)			
11 Other income			
12 Total. Add lines 1 through 11		<b>71,520.</b> <b>80,776.</b> <b>80,776.</b>	
13 Compensation of officers, directors, trustees, etc		<b>30,000.</b> <b>30,000.</b> <b>0.</b> <b>0.</b>	
14 Other employee salaries and wages			
15 Pension plans, employee benefits			
16a Legal fees Stmt 3		<b>2,774.</b> <b>2,774.</b> <b>0.</b> <b>0.</b>	
b Accounting fees Stmt 4		<b>3,941.</b> <b>3,941.</b> <b>0.</b> <b>0.</b>	
c Other professionals Stmt 5		<b>11,698.</b> <b>11,698.</b> <b>0.</b> <b>0.</b>	
17 Interest Stmt 6		<b>775.</b> <b>0.</b> <b>0.</b> <b>0.</b>	
18 Taxes			
19 Depreciation and depletion			
20 Occupancy			
21 Travel, conferences, and meetings			
22 Printing and publications			
23 Other expenses Stmt 7		<b>35.</b> <b>0.</b> <b>0.</b> <b>0.</b>	
24 Total operating and administrative expenses. Add lines 13 through 23		<b>49,223.</b> <b>48,413.</b> <b>0.</b> <b>0.</b>	
25 Contributions, gifts, grants paid		<b>106,000.</b>	<b>106,000.</b>
26 Total expenses and disbursements. Add lines 24 and 25		<b>155,223.</b> <b>48,413.</b> <b>0.</b> <b>106,000.</b>	
27 Subtract line 26 from line 12:		<b>&lt;83,703.►</b>	
a Excess of revenue over expenses and disbursements			
b Net investment income (if negative, enter -0-)		<b>32,363.</b>	
c Adjusted net income (if negative, enter -0-)		<b>80,776.</b>	

Assets	Part II Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
1	Cash - non-interest-bearing				
2	Savings and temporary cash investments		45,047.	41,068.	41,068.
3	Accounts receivable ►				
	Less: allowance for doubtful accounts ►				
4	Pledges receivable ►				
	Less: allowance for doubtful accounts ►				
5	Grants receivable				
6	Receivables due from officers, directors, trustees, and other disqualified persons				
7	Other notes and loans receivable ►				
	Less: allowance for doubtful accounts ►				
8	Inventories for sale or use				
9	Prepaid expenses and deferred charges				
10a	Investments - U.S. and state government obligations Stmt 8		227,286.	151,276.	161,150.
b	Investments - corporate stock Stmt 9		1,690,062.	1,688,879.	1,843,323.
c	Investments - corporate bonds Stmt 10		22,800.	22,800.	10,725.
11	Investments - land, buildings, and equipment basis ►				
	Less accumulated depreciation ►				
12	Investments - mortgage loans				
13	Investments - other Stmt 11		247,325.	247,325.	207,403.
14	Land, buildings, and equipment basis ►				
	Less accumulated depreciation ►				
15	Other assets (describe ► )				
16	Total assets (to be completed by all filers)		2,232,520.	2,151,348.	2,263,669.
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
19	Deferred revenue				
20	Loans from officers, directors, trustees, and other disqualified persons				
21	Mortgages and other notes payable				
22	Other liabilities (describe ► )				
23	Total liabilities (add lines 17 through 22)		0.	0.	
Net Assets or Fund Balances	24	Foundations that follow SFAS 117, check here ► <input type="checkbox"/>			
		and complete lines 24 through 26 and lines 30 and 31.			
25	Unrestricted				
26	Temporarily restricted				
27	Permanently restricted				
28	Foundations that do not follow SFAS 117, check here ► <input checked="" type="checkbox"/>				
	and complete lines 27 through 31.				
29	Capital stock, trust principal, or current funds		58,465.	60,996.	
30	Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.	
31	Retained earnings, accumulated income, endowment, or other funds		2,174,055.	2,090,352.	
32	Total net assets or fund balances		2,232,520.	2,151,348.	
33	Total liabilities and net assets/fund balances		2,232,520.	2,151,348.	

## 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	2,232,520.
2	Enter amount from Part I, line 27a	2	<83,703. >
3	Other increases not included in line 2 (itemize) ► Basis adjustments	3	2,531.
4	Add lines 1, 2, and 3	4	2,151,348.
5	Decreases not included in line 2 (itemize) ►	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	2,151,348.

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**Part IV Capital Gains and Losses for Tax on Investment Income**

			(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	25,000	Federal Home Loan Bank	4.1% 3/16/16	P	07/09/09 03/16/10
b	50,000	United States Treasury NTS		P	05/19/05 04/15/10
c	100	shs Transocean Ltd Zug Namen-Akt		P	06/26/08 07/14/10
d	0.02	shs Frontier Communications Corp		P	03/13/09 08/24/10
e		Capital Gains Dividends			

(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 25,000.		25,291.	<291. >
b 50,000.		50,719.	<719. >
c 5,266.		15,083.	<9,817. >
d			0.
e 1,571.			1,571.

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			<291. >
b			<719. >
c			<9,817. >
d			0.
e			1,571.

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	<9,256. >
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		3	<291. >

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

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

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

 Yes  No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2009	100,623.	1,967,593.	.051140
2008	119,250.	2,494,154.	.047812
2007	149,500.	2,998,520.	.049858
2006	140,000.	2,960,302.	.047292
2005	141,093.	2,806,348.	.050276

2 Total of line 1, column (d)	2	.246378
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	.049276
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	2,141,792.
5 Multiply line 4 by line 3	5	105,539.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	324.
7 Add lines 5 and 6	7	105,863.
8 Enter qualifying distributions from Part XII, line 4	8	106,000.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ►  and enter "N/A" on line 1.

Date of ruling or determination letter: \_\_\_\_\_ (attach copy of letter if necessary-see instructions)

b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ►  and enter 1% of Part I, line 27b

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-)

3 Add lines 1 and 2

4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)

5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-

6 Credits/Payments:

a 2010 estimated tax payments and 2009 overpayment credited to 2010

6a  743.

b Exempt foreign organizations - tax withheld at source

6b

c Tax paid with application for extension of time to file (Form 8868)

6c

d Backup withholding erroneously withheld

6d

7 Total credits and payments. Add lines 6a through 6d

7  743.

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  419.

11 Enter the amount of line 10 to be: **Credited to 2011 estimated tax** ►  419. **Refunded** ►  11  0.

**Part VII-A Statements Regarding Activities**

1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?

Yes  No

b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?

1a  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

1b  X

c Did the foundation file Form 1120-POL for this year?

1c  X

d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:

(1) On the foundation. ► \$  0. (2) On foundation managers. ► \$  0.

e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$  0.

2 Has the foundation engaged in any activities that have not previously been reported to the IRS?

2  X

If "Yes," attach a detailed description of the activities

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?

5  X

If "Yes," attach the statement required by General Instruction T.

6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:

6  X

• By language in the governing instrument, or

7  X

• 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?

7 Did the foundation have at least \$5,000 in assets at any time during the year?

8b  X

If "Yes," complete Part II, col. (c), and Part XV.

8a Enter the states to which the foundation reports or with which it is registered (see instructions) ► None

9  X

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

10  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 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? If "Yes," complete Part XIV

10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses

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12-07-10

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

11		X
12		X
13	X	
Website address ► N/A		
14	Taylor, Ganson & Perrin, LLP Located at ► 160 Federal Street, Boston, Massachusetts	Telephone no. ► (617) 951-2777 ZIP+4 ► 02110
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	
16	15	N/A
16	Yes	No
See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►		

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

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	X No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	X No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	X No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	X No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	X No
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	<input type="checkbox"/> Yes	X 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 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A ►	
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 2010?	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 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010?	<input type="checkbox"/> Yes	X No
If "Yes," list the years ►		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)	N/A	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ►	2b	
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	X No
b If "Yes," did it have excess business holdings in 2010 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 2010)	N/A	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	3b	
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 2010?	4a X	
4b X		

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

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

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?
- (3) Provide a grant to an individual for travel, study, or other similar purposes?
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

 Yes  No Yes  No Yes  No Yes  No Yes  No

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

N/A

► 

5b

Organizations relying on a current notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

 Yes  No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

 Yes  No

6b

X

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

If "Yes," file Form 8870.

 Yes  No

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

 Yes  No

7b

N/A

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Jonathan V. Taylor 4 Newcourt Lane Dedham, MA 02026	Trustee 3.00	0.	0.	0.
William F. Taylor 251 Concord Street Gloucester, MA 09130	Trustee 3.00	0.	0.	0.
Sarah V. Harrison 20 Richards Street Dedham, MA 02026	Trustee 3.00	0.	0.	0.

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

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

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

►

0

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

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

**Total number of others receiving over \$50,000 for professional services****0****Part IX-A** **Summary of Direct Charitable Activities**

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

**Expenses**

1	<b>N/A</b>	
2		
3		
4		

**Part IX-B** **Summary of Program-Related Investments**

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

**Amount**

1	<b>N/A</b>	
2		
3		

All other program-related investments. See instructions.

3		

**Total. Add lines 1 through 3****0.**

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:	
a	Average monthly fair market value of securities	1a 2,078,944.
b	Average of monthly cash balances	1b 95,464.
c	Fair market value of all other assets	1c
d	<b>Total</b> (add lines 1a, b, and c)	1d 2,174,408.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e 0.
2	Acquisition indebtedness applicable to line 1 assets	2 0.
3	Subtract line 2 from line 1d	3 2,174,408.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4 32,616.
5	<b>Net value of noncharitable-use assets</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	5 2,141,792.
6	<b>Minimum investment return</b> Enter 5% of line 5	6 107,090.

**Part XI Distributable Amount** (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ►  and do not complete this part.)

1	Minimum investment return from Part X, line 6	1 107,090.
2a	Tax on investment income for 2010 from Part VI, line 5	2a 324.
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b
c	Add lines 2a and 2b	2c 324.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3 106,766.
4	Recoveries of amounts treated as qualifying distributions	4 0.
5	Add lines 3 and 4	5 106,766.
6	Deduction from distributable amount (see instructions)	6 0.
7	<b>Distributable amount as adjusted</b> . Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7 106,766.

**Part XII Qualifying Distributions** (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:	
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a 106,000.
b	Program-related investments - total from Part IX-B	1b 0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2
3	Amounts set aside for specific charitable projects that satisfy the:	
a	Suitability test (prior IRS approval required)	3a
b	Cash distribution test (attach the required schedule)	3b
4	<b>Qualifying distributions</b> . Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4 106,000.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5 324.
6	<b>Adjusted qualifying distributions</b> Subtract line 5 from line 4	6 105,676.

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

**Part XIII Undistributed Income** (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				106,766.
2 Undistributed income, if any, as of the end of 2010			0.	
a Enter amount for 2009 only				
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2010:				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009	983.			
f Total of lines 3a through e	983.			
4 Qualifying distributions for 2010 from Part XII, line 4: ► \$ 106,000.			0.	
a Applied to 2009, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2010 distributable amount				106,000.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))	766.			766.
6 Enter the net total of each column as indicated below:	217.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount - see instr.				0.
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2011 Subtract lines 7 and 8 from line 6a	217.			
10 Analysis of line 9:				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009	217.			
e Excess from 2010				



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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<i>a Paid during the year</i>				
See Statement 12				
<b>Total</b>			► 3a	<b>106,000.</b>
<i>b Approved for future payment</i>				
None				
<b>Total</b>			► 3b	<b>0.</b>

## Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		(e) Related or exempt function income
		(a) Business code	(b) Amount	
1 Program service revenue:				
a				
b				
c				
d				
e				
f				
g Fees and contracts from government agencies				
2 Membership dues and assessments				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities				
5 Net rental income or (loss) from real estate:				
a Debt-financed property				
b Not debt-financed property				
6 Net rental income or (loss) from personal property				
7 Other investment income				
8 Gain or (loss) from sales of assets other than inventory				
9 Net income or (loss) from special events				
10 Gross profit or (loss) from sales of inventory				
11 Other revenue:				
a				
b				
c				
d				
e				
12 Subtotal. Add columns (b), (d), and (e)			0.	82,347.
13 Total. Add line 12, columns (b), (d), and (e)			13	<10,827. 71,520.
(See worksheet in line 13 instructions to verify calculations.)				

## **Relationship of Activities to the Accomplishment of Exempt Purposes**

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

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

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

- (1) Cash
- (2) Other assets

- b Other transactions:**
  - (1) Sales of assets to a noncharitable exempt organization
  - (2) Purchases of assets from a noncharitable exempt organization
  - (3) Rental of facilities, equipment, or other assets
  - (4) Reimbursement arrangements
  - (5) Loans or loan guarantees
  - (6) Performance of services or membership or fundraising solicitations

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

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

**2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

Yes  No

**b** If "Yes," complete the following schedule.

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

**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

Signature of officer or trustee

15/4/11  
Date

---

**Title**

Signature of filer or trustee		Date	Time		
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	<b>Edward R. Martin</b>	<i>Edward R. Martin</i>	<b>5/3/11</b>		<b>PO 449787</b>
	Firm's name ► <b>Taylor, Ganson &amp; Perrin, LLP 160 Federal Street</b>			Firm's EIN ► <b>04-1894190</b>	
Firm's address ► <b>Boaton, MA 02110</b>			Phone no. <b>(617) 951-2777</b>		

The Taylor Foundation c/o Taylor, Ganson

04-6855950

Form 990-PF Interest on Savings and Temporary Cash Investments Statement 1

Source	Amount
US Treasury Interest	7,763.
Total to Form 990-PF, Part I, line 3, Column A	7,763.

Form 990-PF Dividends and Interest from Securities Statement 2

Source	Gross Amount	Capital Gains Dividends	Column (A) Amount
Non-Qualified Div. - Mutual Funds	12,142.	0.	12,142.
Non-Qualified Domestic Dividends	3,802.	0.	3,802.
Qualified Div. from mutual funds	1,178.	0.	1,178.
Qualified Div. from US Gov't Obligations	870.	0.	870.
Qualified Domestic Dividends	50,379.	0.	50,379.
Qualified Foreign Dividends	6,146.	0.	6,146.
Qualified Foreign Dividends Mutual Funds	67.	0.	67.
Total to Fm 990-PF, Part I, ln 4	74,584.	0.	74,584.

Form 990-PF Legal Fees Statement 3

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Administration expenses-for legal fees	2,774.	2,774.	0.	0.
To Fm 990-PF, Pg 1, ln 16a	2,774.	2,774.	0.	0.

## Form 990-PF

## Accounting Fees

## Statement 4

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Taylor, Ganson & Perrin, LLP - accounting/tax fee	3,941.	3,941.	0.	0.
To Form 990-PF, Pg 1, ln 16b	3,941.	3,941.	0.	0.

## Form 990-PF

## Other Professional Fees

## Statement 5

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Taylor, Ganson & Perrin, LLP - Mgmt Fees	11,698.	11,698.	0.	0.
To Form 990-PF, Pg 1, ln 16c	11,698.	11,698.	0.	0.

## Form 990-PF

## Taxes

## Statement 6

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Foreign tax withheld at source (Netherlands)	744.	0.	0.	0.
ADR fees	31.	0.	0.	0.
To Form 990-PF, Pg 1, ln 18	775.	0.	0.	0.

Form 990-PF

Other Expenses

Statement 7

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Form PC filing fee	35.	0.	0.	0.
To Form 990-PF, Pg 1, ln 23	35.	0.	0.	0.

Form 990-PF

U.S. and State/City Government Obligations

Statement 8

Description	U.S. Gov't	Other Gov't	Book Value	Fair Market Value
50,000 shs Fedl Home Loan Bank	X		50,608.	50,285.
100,000 Federal Home LN	X		100,668.	110,865.
BK@100.6683				
Total U.S. Government Obligations			151,276.	161,150.
Total State and Municipal Government Obligations				
Total to Form 990-PF, Part II, line 10a			151,276.	161,150.

Form 990-PF

Corporate Stock

Statement 9

Description	Book Value	Fair Market Value
2,700 shs Citigroup Inc.	76,867.	12,771.
585 shs Procter & Gamble Co.	24,786.	37,633.
1,500 shs Analog Devices Inc.	21,223.	56,505.
500 shs Hewlett Packard	25,640.	21,050.
1,139 shs American Elec Pwr Inc.	48,763.	40,981.
3,000 shs Progress Energy Inc.	1,635.	469.
4,000 shs Southern Co.	62,159.	152,920.
700 shs Bristol Myers Squibb Co.	42,138.	18,536.
1,000 shs AT & T Inc.	48,748.	29,380.
1,000 shs Intel Corp	36,248.	21,030.
200 shs IBM	22,415.	29,352.
1,000 shs Motorola Inc.	16,723.	9,070.
500 shs Texas Instruments	33,718.	16,250.
600 shs United Parcel Service	36,749.	43,548.
700 shs Coca-Cola	39,286.	46,039.
2,000 shs Boston Scientific Corp	24,935.	15,140.

1,500 shs Staples	19,310.	34,155.
1000 shs Wells Fargo & Co	26,499.	30,990.
1000 shs Schlumberger Ltd	30,675.	83,500.
776 shs Bank of America Corp	27,313.	10,352.
700 shs Medtronic	30,919.	25,963.
500 shs Pfizer Inc.	17,906.	8,755.
2,000 shs Cisco Sys Inc.	37,130.	40,460.
1,000 shs General Electric	43,171.	18,290.
383 shs Northrop Grumman Corp	20,777.	24,811.
500 shs Royal Dutch Pete Co. Par N Gldr 1.25	21,805.	33,390.
500 shs Becton Dickinson & Co.	18,172.	42,260.
485 shs Centurytel Inc.	16,022.	22,392.
435 shs State Street Corp Cvt PFD	19,783.	20,158.
600 shs Enerplus Res FD	19,396.	18,504.
73 shs Teck Resources LTD Class B	775.	4,514.
250 shs Frontline Ltd	10,488.	6,343.
200 shs Washington Mutual	8,542.	11.
1,000 shs Korea Elec Power Corp Sponsored ADR	14,550.	13,510.
130 shs Hartford Financial Group PFD Ser A	9,802.	3,444.
38 shs Ship Finance International	910.	818.
3,500 shs Progress Energy (PGN)	144,717.	152,180.
2,881 shs Duke Energy Corp.	33,659.	51,311.
500 shs United Nat Foods Inc.	17,175.	18,340.
400 shs Novartis AG Sponsored ADR	21,786.	23,580.
97 shs Alcatel Lucent Sponsored ADR	20,844.	287.
1,641 shs Conocophillips	42,367.	111,752.
1,440 Spectra Energy Corp	25,084.	35,986.
250 Tyco International Ltd	19,147.	10,360.
250 shs Tyco Electronics Ltd	14,097.	8,850.
28 shs Lsi Corp	4,405.	168.
800 shs Gilead Sciences Inc.	36,572.	28,992.
400 shs Zimmer Hldgs Inc.	27,622.	21,472.
800 shs International Game Technology	34,926.	14,152.
300 shs Genzyme Corp	22,494.	21,360.
600 shs Paychex Inc.	21,504.	18,546.
200 shs Deere & Co	14,248.	16,610.
155 shs Simon Property Group Inc. Reit	13,918.	15,421.
1,547 shs Merck & Co. INC.	64,330.	55,754.
727 shs American Capital Agency Corporation	16,167.	20,894.
1,294 shs Banco Santander SA	15,255.	13,781.
400 shs Verizon Communications	10,619.	14,312.
3,648 shs Public Svc Enterprise Group Inc.	56,430.	116,042.
2,100 shs Lowes Companies Inc.	32,828.	52,668.
250 shs Covidien Limited	8,007.	11,415.
96 shs Frontier Communications	716.	934.
Toronto Dominion Bank	13,984.	14,862.

Total to Form 990-PF, Part II, line 10b

1,688,879. 1,843,323.

Form 990-PF

Corporate Bonds

Statement 10

Description	Book Value	Fair Market Value
30,000 General Motor DTD 7/3/03 8.375%	22,800.	10,725.
Total to Form 990-PF, Part II, line 10c	22,800.	10,725.

Form 990-PF

Other Investments

Statement 11

Description	Valuation Method	Book Value	Fair Market Value
11,600 Blackrock Income TR Inc.	COST	76,799.	79,344.
5,400 Blackrock Core Bond Trust	COST	76,027.	67,608.
190 shs Korea FD Inc.	COST	16,123.	8,381.
5085 shs Agic Convertible & Income Fund	COST	78,376.	52,070.
Total to Form 990-PF, Part II, line 13		247,325.	207,403.

Form 990-PF

Grants and Contributions  
Paid During the Year

Statement 12

Recipient Name and Address	Recipient Relationship and Purpose of Grant	Recipient Status	Amount
The Gloucester Stage Company P.O. Box 29 Gloucester, MA 01931	none Charitable	Charity	4,000.
Litchfield Volunteer Fire Department 258 West Street Litchfield, CT 06759	none Charitable	Charity	1,000.
Recording for the Blind 210 Bent Street Cambridge, MA 02141	none Charitable	Charity	1,000.
The Gloucester Writer's Center 126 East Main Street Gloucester, MA 01930	none Charitable	Charity	1,000.
The First R. Foundation 74 Langsford Street Gloucester, MA 01930	none Charitable	Charity	500.
Columbia University 116th and Broadway New York, NY 10027	none Charitable	Charity	8,000.
Boston Medical Center- Reach Out & Read 801 Massachusetts Avenue Boston, MA 02118	None educational	Charity	1,000.
CABI (Cape Ann Business Incubator) 72 Rogers Street Gloucester, MA 01930	None Charitable	Charity	8,500.

Camp Sunshine 35 Arcadia Road	Casco, ME 04015	None Charitable	Charity	5,000.
Dedham Civic Pride, c/o Gemma Martin 202 Bonham Road	Dedham, MA 02026	None charitable	Charity	2,000.
Dedham Historical Society 612 High Street	Dedham, MA 02026	None Charitable	Charity	1,000.
Doctors without Borders 333 7th Avenue, 2nd floor	New York, NY 10001	None Charitable	Charity	3,000.
Center for Independent Documentary 680 South Main Street	Sharon, MA 02067	None Charitable	Charity	1,000.
Fessenden School 250 Waltham Street	W. Newton, MA 02465	None Educational	Charity	5,000.
G.O.A.L., GOAL Com. North America 83 Walnut Street	Wellesley, MA 02481	None Charitable	Charity	1,000.
Glen Urquhart School Annual Fund 75 Hart Street	Beverly Farms, MA 01915	None educational	Charity	10,000.
Gloucester Civic Garden Council Inc. 3 Fuller Street	Magnolia, MA 01930	None charitable	Charity	3,000.
Gloucester Maritime Heritage Center, Inc. 23 Harbor Loop	Gloucester, MA 01930	None charitable	Charity	12,000.

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Masonic Angel Foundation 49 South Orleans Road Orleans, MA 02653	None charitable	Charity	12,000.
Rivers School 333 Winter Street Weston, MA 02493	None Educational	Charity	12,000.
Saint Joseph's College of Maine 278 Whites Bridge Road Standish, ME 04084	None Educational	Charity	10,000.
Seeds of Peace 370 Lexington Avenue New York, NY 10017	None charitable	Charity	2,000.
Tilton School 70 Grove Street Haverill, MA 01832	None Educational	Charity	1,000.
Urban Arts Institute 621 Huntington Avenue Boston, MA 02115	None cultural	Charity	1,000.
Total to Form 990-PF, Part XV, line 3a			106,000.