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CHANGE IN ACCOUNTING PERIOD

Form 990-PF

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

OMB No 1545-0052

Department of the Treasury
Internal Revenue Service

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

2010

For calendar year 2010, or tax year beginning 12/01/10, and ending 12/31/10

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

A.H. Zeppa Family Foundation

Number and street (or P O box number if mail is not delivered to street address)

222 East Superior St. - Suite 326

City or town, state, and ZIP code

Duluth MN 55802H Check type of organization Section 501(c)(3) exempt private foundation Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ► \$ 8,935,205	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)
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(Part I, column (d) must be on cash basis)

A Employer identification number

20-6424699B Telephone number (see page 10 of the instructions)
218-726-5430

C If exemption application is pending, check here ►

D 1. Foreign organizations, check here ►
2. Foreign organizations meeting the 85% test, check here and attach computation ►

E If private foundation status was terminated under section 507(b)(1)(A), check here ►

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

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)
--	------------------------------------	---------------------------	-------------------------	---

1 Contributions, gifts, grants, etc., received (attach schedule)	3,891,511			
2 Check ► <input type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	5,176	5,176	5,176	
4 Dividends and interest from securities	155	155	155	
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	Stmt 1	-541,000		
b Gross sales price for all assets on line 6a				
7 Capital gain net income (from Part IV, line 2)		0		
8 Net short-term capital gain			0	
9 Income modifications				
10a Gross sales less returns & allowances				
b Less Cost of goods sold	SEP 19 2011			
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)	OGDEN, UT Stmt 2	-147,744	-147,744	
12 Total. Add lines 1 through 11	3,208,098	5,331	-142,413	
Revenue				
13 Compensation of officers, directors, trustees, etc	11,393	2,404		4,735
14 Other employee salaries and wages	50,942		45,196	371
15 Pension plans, employee benefits	7,344		3,310	27
16a Legal fees (attach schedule) See Stmt 3	7,117	3,559		
b Accounting fees (attach schedule) Stmt 4	245		174	1
c Other professional fees (attach schedule) Stmt 5	4,144	2,072		
17 Interest				
18 Taxes (attach schedule) (see page 14 of the instructions) Stmt 6	5,126		4,314	36
19 Depreciation (attach schedule) and depletion Stmt 7	973		639	
20 Occupancy				
21 Travel, conferences, and meetings	73		46	1
22 Printing and publications				
23 Other expenses (att sch) Stmt 8 Stmt 9	69,924	40	65,597	273
24 Total operating and administrative expenses.				
Add lines 13 through 23	157,281	8,075	119,276	5,444
25 Contributions, gifts, grants paid	0			0
26 Total expenses and disbursements. Add lines 24 and 25	157,281	8,075	119,276	5,444
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	3,050,817			
b Net investment income (if negative, enter -0-)		0		
c Adjusted net income (if negative, enter -0-)			0	

17P

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		
Assets	Description	Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
1	Cash—non-interest-bearing	374,878	249,967	249,967
2	Savings and temporary cash investments	16,214	19,520	19,520
3	Accounts receivable ►			
	Less allowance for doubtful accounts ►			
4	Pledges receivable ►			
	Less allowance for doubtful accounts ►			
5	Grants receivable		620,000	620,000
6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
7	Other notes and loans receivable (att. schedule) ►			
	Less allowance for doubtful accounts ►			
8	Inventories for sale or use			
9	Prepaid expenses and deferred charges	1,320	1,320	1,320
10a	Investments—U.S. and state government obligations (attach schedule)			
b	Investments—corporate stock (attach schedule)			
c	Investments—corporate bonds (attach schedule)			
11	Investments—land, buildings, and equipment basis ►			
	Less accumulated depreciation (attach sch) ►			
12	Investments—mortgage loans			
13	Investments—other (attach schedule) See Statement 10	11,106,111	13,657,969	8,032,670
14	Land, buildings, and equipment basis ► Stmt 11	31,239		
	Less accumulated depreciation (attach sch) ►	19,511	12,057	11,728
15	Other assets (describe ►)			
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item 1)	11,510,580	14,560,504	8,935,205
Liabilities	Description	Beginning of year	(b) Book Value	(c) Fair Market Value
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 ►) See Statement 12	400,905	400,017	
23	Total liabilities (add lines 17 through 22)	400,905	400,017	
Net Assets or Fund Balances	Description	Beginning of year	(b) Book Value	(c) Fair Market Value
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			
	Foundations that do not follow SFAS 117, check here ► <input checked="" type="checkbox"/>			
	and complete lines 27 through 31.			
27	Permanently restricted			
28	Capital stock, trust principal, or current funds	11,109,675		
29	Paid-in or capital surplus, or land, bldg, and equipment fund		14,160,487	
30	Retained earnings, accumulated income, endowment, or other funds			
31	Total net assets or fund balances (see page 17 of the instructions)	11,109,675	14,160,487	
	Total liabilities and net assets/fund balances (see page 17 of the instructions)	11,510,580	14,560,504	

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	11,109,675
2	Enter amount from Part I, line 27a	2	3,050,817
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	14,160,492
5	Decreases not included in line 2 (itemize) ► See Statement 13	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	14,160,487

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 N/A					
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				(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))	
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any			
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		
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		

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

 Yes No

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

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))
2009	533,617	10,198,328	0.052324
2008	2,322,949	10,316,016	0.225179
2007	2,030,726	6,500,236	0.312408
2006	4,707,417	4,662,973	1.009531
2005	2,008,158	4,836,461	0.415212

2 Total of line 1, column (d)

2 2.014654

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 0.402931

4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5

4 12,840,010

5 Multiply line 4 by line 3

5 5,173,638

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

6

7 Add lines 5 and 6

7 5,173,638

8 Enter qualifying distributions from Part XII, line 4

8 32,646

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 ► <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter (attach copy of letter if necessary—see instructions)	1	
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b		
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		
3	Add lines 1 and 2	2	0
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	3	0
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-	4	0
6	Credits/Payments	5	0
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	2,919
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	2,919
8	Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	2,919
11	Enter the amount of line 10 to be Credited to 2011 estimated tax ► 2,919	Refunded	11

Part VII-A Statements Regarding Activities

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	Yes	No
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities	1a	X
1c	Did the foundation file Form 1120-POL for this year?	1b	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 ► \$ _____	1c	
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► \$ _____	2	X
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?	N/A	
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	6	X
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ► MN	7	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	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 2010 or the taxable year beginning in 2010 (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)

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? Website address ► www.zeppa.org	13	X
14	The books are in care of ► Tony Cuneo 222 East Superior Street - #326 Located at ► Duluth	Telephone no ► 218-726-5430 MN ZIP+4 ► 55802	
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	
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? 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 ►	16	Yes No X

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?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/> No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/> No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/> No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/> 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	<input checked="" type="checkbox"/> 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	<input checked="" type="checkbox"/> 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	► <input type="checkbox"/> 1b
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?		N/A	1c
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? If "Yes," list the years ► 20 , 20 , 20 , 20	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/> No
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 22 of the instructions)		N/A	2b
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 20 , 20 , 20 , 20			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/> No
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	3b
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?			
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?			
				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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? Organizations relying on a current notice regarding disaster assistance check here	<input checked="" type="checkbox"/> N/A	5b	
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? If "Yes," attach the statement required by Regulations section 53 4945-5(d)	<input type="checkbox"/> Yes <input type="checkbox"/> No		
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	6b	X
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	7b	
b	If Yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 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 (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
Alan H. Zeppa 222 E. Superior St. #326	Duluth MN 55802	Trustee 20.00	0	0
Anthony Cuneo 222 E. Superior St. #326	Duluth MN 55802	Co-Exec. Dir 40.00	4,808	982
Kathryn Eldred 222 E. Superior St. #326	Duluth MN 55802	Co-Exec. Dir 40.00	6,585	992

**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
NONE				

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

▶ 0

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

3 Five highest-paid independent contractors for professional services (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
NONE		

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

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 See Statement 14

2

3

4

Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)

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

Amount

1 222 Arts Center equity**28,058****2 Vine mortgage****-404**

All other program-related investments See page 24 of the instructions

3**Duluth Festival Opera loan****-452****Total. Add lines 1 through 3****27,202**

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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	0
b	Average of monthly cash balances	1b	330,290
c	Fair market value of all other assets (see page 25 of the instructions)	1c	12,705,253
d	Total (add lines 1a, b, and c)	1d	13,035,543
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	13,035,543
4	Cash deemed held for charitable activities Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	195,533
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	12,840,010
6	Minimum investment return. Enter 5% of line 5	6	54,526

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 ► and do not complete this part)

1	Minimum investment return from Part X, line 6	1	
2a	Tax on investment income for 2010 from Part VI, line 5	2a	
b	Income tax for 2010 (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	1a	5,444
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26	1b	27,202
b	Program-related investments—total from Part IX-B	2	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	3a	
3	Amounts set aside for specific charitable projects that satisfy the	3b	
a	Suitability test (prior IRS approval required)	4	32,646
b	Cash distribution test (attach the required schedule)	5	0
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	6	32,646
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)		
6	Adjusted qualifying distributions. Subtract line 5 from line 4		

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 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only				
b Total for prior years 20 ____ , 20 ____ , 20 ____				
3 Excess distributions carryover, if any, to 2010				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009				
f Total of lines 3a through e				
4 Qualifying distributions for 2010 from Part XII, line 4 ► \$ <u>32,646</u>				
a Applied to 2009, but not more than line 2a				
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 2010 distributable amount				
e Remaining amount distributed out of corpus	32,646			
5 Excess distributions carryover applied to 2010 (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:	32,646			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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 2009 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				
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 2005 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009				
e Excess from 2010				

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

1a	If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling				► <input type="checkbox"/> N/A
b	Check box to indicate whether the foundation is a private operating foundation described in section <input checked="" type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)				
2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed				
b	85% of line 2a				
c	Qualifying distributions from Part XII, line 4 for each year listed				
d	Amounts included in line 2c not used directly for active conduct of exempt activities				
e	Qualifying distributions made directly for active conduct of exempt activities				
	Subtract line 2d from line 2c				
3	Complete 3a, b, or c for the alternative test relied upon				
a	"Assets" alternative test—enter				
(1)	Value of all assets				
(2)	Value of assets qualifying under section 4942(j)(3)(B)(i)				
b	"Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed				
c	"Support" alternative test—enter				
(1)	Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)				
(2)	Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(ii)				
(3)	Largest amount of support from an exempt organization				
(4)	Gross investment income				

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

Tony Cuneo 218-726-5430

222 East Superior Street - #326 Duluth MN 55802

b The form in which applications should be submitted and information and materials they should include
Standard application form available from Foundation.

c Any submission deadlines

None.

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	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)				
a Paid during the year				
N/A				
Total			► 3a	
b Approved for future payment				
N/A				
Total			► 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

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 <u>Zeitgeist Arts, LLC</u>						119,276
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	5,176	
4 Dividends and interest from securities				14	155	
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	-541,000	
9 Net income or (loss) from special events						
10 Gross profit or (loss) from sales of inventory						
11 Other revenue a						
b <u>H/Z Invest. Partsp. #1</u>				14	-26,136	
c <u>H/Z Invest. Partsp. #2</u>				14	-28,453	
d <u>222 Arts Center R/E LLC</u>				14	-36,942	
e <u>Brooklyn Hotel Partners LLC</u>				14	-175,489	
12 Subtotal Add columns (b), (d), and (e)			0		-802,689	119,276
13 Total Add line 12, columns (b), (d), and (e)					13	-683,413

(See worksheet in line 13 instructions on page 29 to verify calculations)

Part XVI-B 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.

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

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

Yes No

b. If "Yes," complete the following schedule

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

**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

✓ 9/13/11

► Executive Director
Title

Signature of officer or trustee		Date	Date	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed
	Mark C. Smithson	Mark C. Smithson	09/12/11	
	Firm's name ► Esterbrooks Scott Signorelli et.al., Ltd	PTIN P00182919		
Firm's address ► 302 W. Superior St., Ste.200 Duluth, MN 55802	Firm's EIN ► 41-1414667			
	Phone no 218-727-6846			

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

2010

Name of the organization

A.H. Zeppa Family Foundation

Employer identification number

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

501(c)() (enter number) organization

4947(a)(1) nonexempt charitable trust not treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor Complete Parts I and II

Special Rules

For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1 Complete Parts I and II

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals Complete Parts I, II, and III

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use exclusively for religious, charitable, etc, purposes, but these contributions did not aggregate to more than \$1,000 If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc, purpose Do not complete any of the parts unless the General Rule applies to this organization because it received nonexclusively religious, charitable, etc, contributions of \$5,000 or more during the year ► \$

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization

A.H. Zeppa Family Foundation

Employer identification number

20-6424699

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	Hurlbut-Zeppa Charitable Trust A7 222 East Superior St. - Suite 326 Duluth MN 55802	\$ 522,643	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution)
2	Hurlbut-Zeppa Charitable Trust A10 222 East Superior St. - Suite 326 Duluth MN 55802	\$ 1,033,562	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution)
3	Hurlbut-Zeppa Charitable Trust A12 222 East Superior St. - Suite 326 Duluth MN 55802	\$ 2,335,306	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

Name of organization

A.H. Zeppa Family Foundation

Employer identification number

20-6424699

Part II Noncash Property (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	H/Z Partnership #2 units	\$ 262,643	12/31/10
2	H/Z partnership #2 units	\$ 863,562	12/31/10
3	H/Z Partnership #2 units	\$ 2,145,306	12/31/10

Federal Statements**Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets**

Whom Sold	Description	Date Acquired	Date Sold	How Received		Depreciation	Net Gain / Loss
				Sale Price	Cost		
H/Z Invest/ Ptrsp. No. 1	Various	Various	\$	\$ Purchase	\$ 7,366	\$	\$ -7,366
H/Z Invest. Ptrsp. No. 1	Various	Various	\$	\$ Purchase	\$ 91,285	\$	\$ -91,285
H/Z Invest. Ptrsp. No. 2	Various	Various	\$	\$ Purchase	\$ 442,349	\$	\$ -442,349
Total			\$ 0	\$ 541,000	\$ 0	\$ 0	\$ -541,000

Statement 2 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books		Net Investment Income	Adjusted Net Income
	\$	119,276		
Zeitgeist Arts, LLC	\$	-26,136	\$	\$ 119,276
H/Z Invest. Partsp. #1		-28,453		-26,136
H/Z Invest. Partsp. #2		-36,942		-28,453
222 Arts Center R/E LLC		-175,489		-36,942
Brooklyn Hotel Partners LLC		\$ -147,744	\$ 0	\$ -175,489
Total				\$ -147,744

Statement 3 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Net Investment		Adjusted Net	Charitable Purpose
	\$	3,559		
Foundation	\$	\$ 3,559	\$	\$
Total	\$	\$ 3,559	\$ 0	\$ 0

Federal Statements

Statement 4 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Foundation	\$ 70	\$	\$ 174	\$ 1
Zeitgeist Arts, LLC	175			
Total	245	\$ 0	\$ 174	\$ 1

Statement 5 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
CapRock	\$ 4,144	\$ 2,072	\$	\$
Total	\$ 4,144	\$ 2,072	\$ 0	\$ 0

Statement 6 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Federal excise tax	\$ 800	\$	\$	\$
Other	-24			
Zeitgeist Arts, LLC	4,350			
Total	\$ 5,126	\$ 0	\$ 4,314	\$ 36

Statement 7 - Form 990-PF, Part I, Line 19 - Depreciation

Description		Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
Date Acquired	Cost Basis						
1/05/09	\$ 8,288	\$ 4,310 200DB		5	\$ 133	\$	\$ 132
Splicer	400	208 200DB		5	6		6
Dell computer	873	454 200DB		5	14		14
Mac computers	(2)	682 200DB		5	21		21
8/28/09	1,312						

Federal Statements

Statement 7 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

<u>Description</u>	<u>Date Acquired</u>	<u>Cost Basis</u>	<u>Prior Year Depreciation</u>	<u>Method</u>	<u>Life</u>	<u>Current Year Depreciation</u>	<u>Net Investment Income</u>	<u>Adjusted Net Income</u>
Apple laptop	9/05/09	\$ 2,712	\$ 1,410	200DB	5	\$ 44	\$	\$ 43
Stage equipment	9/22/09	891	463	200DB	5	15		15
Shelving	9/24/09	1,774	922	200DB	5	29		29
Computer accessories & equip.	8/27/09	2,318	1,205	200DB	5	38		38
Teatro equipment - various	5/31/10	7,080	1,416	200DB	5	189		187
Zinema equipment - various	5/31/10	1,535	307	200DB	5	41		41
Overhead equipment - various	5/31/10	4,262	852	200DB	5	114		113
Computer	2/14/07	1,791	1,482	200DB	5	17		17
Desk & Chairs	1/11/08	1,837	1,034	200DB	7	19		19
Office furniture	5/31/08	14,843	8,362	200DB	7	155		155
Computer equipment	5/31/08	9,748	6,940	200DB	5	94		94
Computer software - various	5/31/08	1,639	1,167	200DB	5	16		16
Chairs	1/04/10	1,381	197	200DB	7	28		28
Total		\$ 62,684	\$ 31,411		\$ 973	\$ 0	\$ 0	\$ 639

Federal Statements**Statement 8 - Form 990-PF, Part I, Line 23 - Amortization**

	Description	Date Acquired	Cost Basis	Prior Year Amortization	Life	Current Year Amortization	Net Investment Income	Adjusted Net Income	
								COGS	
Liquor license		12/01/08	\$ 30,469	\$ 2,031	15	\$ 169	\$ 169	\$ 168	
Total			\$ 30,469	\$ 2,031		\$ 169	\$ 169	0	\$ 168

Federal Statements

Statement 9 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Zeitgeist Arts, LLC Administration	759		753	\$ 6
Bank charges	2,975		2,951	24
Business expenses - other	1,624		1,611	13
Equipment lease & repair & su	1,688		1,674	14
Event production	17,858		17,713	145
Miscellaneous	-2,546		-2,525	-21
Office	72		71	1
Research & development	125		124	1
Telephone	581		576	5
Utilities	289		287	2
Advertising	10,172		10,089	
Cost of Goods Sold	32,105		32,105	
Expenses				
Bank service charges		79	40	
Business entertainment		167		
Communications & publicity		468		
Computer expense		-1,067		
Contract services		1,549		
Dues & subscriptions		25		
Employee appreciation		298		
Insurance		50		
Miscellaneous		760		
Office supplies		800		
Telephone		306		
Gardner Building expenses		624		
Rounding		-6		
Total		69,755	40	\$ 65,429
				\$ 273

Federal Statements

Statement 10 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
			Cost	\$ 325,214
Brooklyn Hotel Partners, LLC	\$ 513,126	\$ 337,642	Cost	\$ 302
Damiano Center loan	302	302	Cost	302
Duluth Festival Opera loan	13,324	12,872	Cost	12,872
Gardner building	637,078	637,078	Cost	250,000
Hurlbut-Zeppa Investment Part. #1	594,147	472,330	Cost	796,171
Hurlbut-Zeppa Investment Part. #2	8,110,515	10,913,183	Cost	5,675,420
Neighborhood Housing loan fund	400,000	400,000	Cost	400,000
Vine mortgage	118,403	117,999	Cost	117,999
Zeitgeist Arts, LLC	-2,671	16,618	Cost	
222 Arts Center LLC member loan	90,000	90,000	Cost	90,000
222 Arts Center LLC equity	631,887	659,945	Cost	364,692
Total	\$ 11,106,111	\$ 13,657,969		\$ 8,032,670

Statement 11 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

Description	Beginning Net Book	End Cost / Basis	Net FMV	\$ 11,728
			End Accumulated Depreciation	\$ 11,728
Furniture & equipment	\$ 12,057	\$ 31,239	\$ 19,511	\$ 19,511
Total	\$ 12,057	\$ 31,239	\$ 19,511	\$ 19,511

Federal Statements**Statement 12 - Form 990-PF, Part II, Line 22 - Other Liabilities**

Description	Beginning of Year	End of Year
Credit card liabilities	\$ 1,839	\$ 438
Payroll liabilities	-934	-421
Loan from Hurlbut/Zeppa Trust A7	400,000	400,000
Total	<u>\$ 400,905</u>	<u>\$ 400,017</u>

Statement 13 - Form 990-PF, Part III, Line 5 - Other Decreases

Description	Amount
Partnership book/tax difference	\$ 5
Total	\$ 5

Statement 14 - Form 990-PF, Part IX-A, Line 1 - Summary of Direct Charitable Activities**Description**

Zeitgeist Arts, LLC is a philanthropic social venture that seeks to create socially responsible and environmentally sustainable enterprises that support and celebrate the arts. Zeitgeist Arts is presently comprised of Teatro Zuccone (a black-box theater and musical performance venue), Zinema 2 (an independent movie theater), and Zeitgeist Arts Cafe (contemporary American comfort cuisine).

Federal Statements

Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description

Standard application form available from Foundation.

Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description

None.

Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description

None.

Federal Statements**Taxable Interest on Investments**

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code	US Obs (\$ or %)
Wells Fargo Bank	\$ 49		14		
DFO	48		14		
Vine mortgage	296		14		
H/Z Invest. Ptrsp. #1	2,970		14		
H/Z Invest. Ptrsp. #2	1,808		14		
Brooklyn Hotel Ptrs. LLC	5		14		
Total	<u>\$ 5,176</u>				

Taxable Dividends from Securities

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code	US Obs (\$ or %)
H/Z Invest. Ptrsp. #2	\$ 155		14		
Total	<u>\$ 155</u>				

Depreciation and Amortization
(Including Information on Listed Property)

2010

Name(s) shown on return

A.H. Zeppa Family Foundation

Identifying number
20-6424699

Business or activity to which this form relates

Indirect 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 instructions)	1	500,000
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4 Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5 Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost	
7 Listed property Enter the amount from line 29	7		
8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8		
9 Tentative deduction Enter the smaller of line 5 or line 8	9		
10 Carryover of disallowed deduction from line 13 of your 2009 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 2011 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 2010	17	329
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 ► <input type="checkbox"/>		

Section B—Assets Placed in Service During 2010 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 2010 Tax Year Using the Alternative Depreciation System

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	329
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	

For Paperwork Reduction Act Notice, see separate instructions.

DAA

Form 4562 (2010)

There are no amounts for Page 2

Depreciation and Amortization
(Including Information on Listed Property)

2010

Name(s) shown on return

A.H. Zeppa Family Foundation

Identifying number
20-6424699

Business or activity to which this form relates

Zeitgeist Arts, LLC

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 instructions)	1	500,000
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4 Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5 Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	
6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost
7 Listed property Enter the amount from line 29	7	
8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from line 13 of your 2009 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 2011 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 2010	17	644
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 ► <input type="checkbox"/>		

Section B—Assets Placed in Service During 2010 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 2010 Tax Year Using the Alternative Depreciation System

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	644
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	

For Paperwork Reduction Act Notice, see separate instructions.

Form 4562 (2010)

DAA

There are no amounts for Page 2

Application for Extension of Time To File an
Exempt Organization ReturnDepartment of the Treasury
Internal Revenue Service

► File a separate application for each return.

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

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



Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on e-file for Charities & Nonprofits.

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

Type or print	Name of exempt organization	Employer identification number
File by the due date for filing your return. See instructions	A.H. Zeppa Family Foundation	20-6424699
	Number, street, and room or suite no. If a P O box, see instructions 222 East Superior St. - Suite 302	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions Duluth MN 55802	

Enter the Return code for the return that this application is for (file a separate application for each return)

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ► **Kat Eldred**,
Telephone No ► **218-726-5430** FAX No ►
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) If this is for the whole group, check this box ► If it is for part of the group, check this box ► and attach a list with the names and EINs of all members the extension is for



- 1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **08/15/11**, to file the exempt organization return for the organization named above. The extension is for the organization's return for
 - calendar year or
 - tax year beginning **12/01/10**, and ending **12/31/10**

- 2 If this tax year entered in line 1 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	\$	700
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	3b	\$	2,908
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c	\$	

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



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

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

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

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

Type or print File by the extended due date for filing your return. See instructions	Name of exempt organization A.H. Zeppa Family Foundation	Employer identification number 20-6424699
	Number, street, and room or suite no. If a P.O. box, see instructions 222 East Superior St. - Suite 326	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Duluth MN 55802	

Enter the Return code for the return that this application is for (file a separate application for each return)

04

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

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

**Tony Cuneo
222 East Superior Street - #326**

MN 55802

- The books are in the care of ► **Duluth**
Telephone No ► **218-726-5430** FAX No ►
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ► If this is for the whole group, check this box ► If it is for part of the group, check this box ► and attach a

list with the names and EINs of all members the extension is for

- I request an additional 3-month extension of time until **11/15/11**.
- For calendar year , or other tax year beginning **12/01/10**, and ending **12/31/10**.
- If the tax year entered in line 5 is for less than 12 months, check reason: Initial return Final return

Change in accounting period

7 State in detail why you need the extension

All information necessary for a complete and accurate return is not yet available.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$	0
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b	\$	2,908
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	8c	\$	0

Signature and Verification

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

Signature ►

Title ► **CPA**

Date ► **07/12/11**

Form **8868** (Rev. 1-2011)