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

2010

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

For calendar year 2010, or tax year beginning

, 2010, and ending

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

HANSON FAMILY FOUNDATION
PO BOX 9295
AVON, CO 81620-9203

H 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, column (c), line 16) **J** Accounting method Cash Accrual
 Other (specify) **► \$ 4,484,770.** (Part I, column (d) must be on cash basis.)

A Employer identification number
25-6912093
B Telephone number (see the instructions)
(970) 748-8639
C If exemption application is pending, check here ►
D 1 Foreign organizations, check here ►
E 2 Foreign organizations meeting the 85% test, check here and attach computation ►
F If private foundation status was terminated under section 507(b)(1)(A), check here ►
G 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 the instructions))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
--	------------------------------------	---------------------------	-------------------------	---

REVENUE	1 Contributions, gifts, grants, etc, received (att sch)			
	2 Ck ► <input checked="" type="checkbox"/> if the foundn is not req to att Sch B			
	3 Interest on savings and temporary cash investments	16,111.	16,111.	16,111.
	4 Dividends and interest from securities	63,894.	63,894.	63,894.
	5a Gross rents			
	b Net rental income or (loss)			
	6a Net gain/(loss) from sale of assets not on line 10.	572,494.		
	b Gross sales price for all assets on line 6a	709,394.		
	7 Capital gain net income (from Part IV, line 2)		572,494.	
	8 Net short-term capital gain			
	9 Income modifications			
	10a Gross sales less returns and allowances			
	b Less Cost of goods sold			
	c Gross profit/(loss) (att sch)			
	11 Other income (attach schedule)	-16,551.	-36.	
	See Statement 1			
	12 Total: Add lines 1 through 11	635,948.	652,463.	80,005.
	13 Compensation of officers, directors, trustees, etc	0.		
	14 Other employee salaries and wages			
	15 Pension plans, employee benefits			
	16a Legal fees (attach schedule)			
	b Accounting fees (attach sch) See St 2	4,975.		4,975.
	c Other prof fees (attach sch)			
	17 Interest			
	18 Taxes (attach schedule) (see instr) See Stm 3	6,523.		
	19 Depreciation (attach sch) and depletion			
	20 Occupancy			
	21 Travel, conferences, and meetings			
	22 Printing and publications			
	23 Other expenses (attach schedule) See Statement 4	474.	181.	293.
	24 Total operating and administrative expenses. Add lines 13 through 23	11,972.	181.	5,268.
	25 Contributions, gifts, grants paid. Part XV	186,500.		186,500.
	26 Total expenses and disbursements. Add lines 24 and 25	198,472.	181.	0. 191,768.
	27 Subtract line 26 from line 12: a Excess of revenue over expenses and disbursements	437,476.		
	b Net investment income (if negative, enter -0)		652,282.	
	c Adjusted net income (if negative, enter -0)			80,005.

G14

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year		
			(a) Book Value	(b) Book Value	(c) Fair Market Value	
ASSETS	1 Cash – non-interest-bearing					
	2 Savings and temporary cash investments		351,187.	824,001.	824,001.	
	3 Accounts receivable					
	Less allowance for doubtful accounts					
	4 Pledges receivable					
	Less allowance for doubtful accounts					
	5 Grants receivable					
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)					
	7 Other notes and loans receivable (attach sch)					
	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 (attach schedule)					
	b Investments – corporate stock (attach schedule) <u>Statement 5</u>	2,912,382.	2,396,481.	3,321,390.		
	c Investments – corporate bonds (attach schedule) <u>Statement 6</u>	226,630.	226,630.	268,095.		
	11 Investments – land, buildings, and equipment basis					
Less accumulated depreciation (attach schedule)						
12 Investments – mortgage loans						
13 Investments – other (attach schedule) <u>Statement 7</u>	46,634.	49,606.	70,265.			
14 Land, buildings, and equipment basis						
Less accumulated depreciation (attach schedule)						
15 Other assets (describe ► <u>See Statement 8</u>)	1,342.	1,019.	1,019.			
16 Total assets (to be completed by all filers – see instructions Also, see page 1, item I)	3,538,175.	3,497,737.	4,484,770.			
LIABILITIES	17 Accounts payable and accrued expenses					
	18 Grants payable					
	19 Deferred revenue					
	20 Loans from officers, directors, trustees, & other disqualified persons					
	21 Mortgages and other notes payable (attach schedule)					
	22 Other liabilities (describe ► <u>See Statement 8</u>)	0.	0.			
	23 Total liabilities (add lines 17 through 22)	0.	0.			
		Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.				
	NET ASSETS	24 Unrestricted				
		25 Temporarily restricted				
		26 Permanently restricted				
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.				
		27 Capital stock, trust principal, or current funds		3,538,175.	3,497,737.	
		28 Paid-in or capital surplus, or land, building, and equipment fund				
		29 Retained earnings, accumulated income, endowment, or other funds				
30 Total net assets or fund balances (see the instructions)		3,538,175.	3,497,737.			
31 Total liabilities and net assets/fund balances (see the instructions)		3,538,175.	3,497,737.			

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	3,538,175.
2 Enter amount from Part I, line 27a	2	437,476.
3 Other increases not included in line 2 (itemize) ► <u>See Statement 9</u>	3	28,329.
4 Add lines 1, 2, and 3	4	4,003,980.
5 Decreases not included in line 2 (itemize) ► <u>See Statement 10</u>	5	506,243.
6 Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	3,497,737.

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 shares MLC Company)			(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a 10000 Shs Joy Global Inc Del			D	9/16/04	9/27/10
b 2000 Shs Frontier Communications (Cash/Lieu)			P	Various	7/16/10
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 709,393.		136,900.	572,493.		
b 1.			1.		
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69					
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h)) gain minus column (k), but not less than -0- or Losses (from column (h))		
a			572,493.		
b			1.		
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	572,494.	
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 the instructions) If (loss), enter -0- in Part I, line 8		3	0.	

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 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 (column (b) divided by column (c))
2009	179,197.	2,793,884.	0.064139
2008	130,359.	3,401,303.	0.038326
2007	20,000.	3,438,124.	0.005817
2006			
2005			

- 2 Total of line 1, column (d) 2 0.108282
- 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 0.036094
- 4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5 4 3,657,839.
- 5 Multiply line 4 by line 3 5 132,026.
- 6 Enter 1% of net investment income (1% of Part I, line 27b) 6 6,523.
- 7 Add lines 5 and 6 7 138,549.
- 8 Enter qualifying distributions from Part XII, line 4 8 191,768.

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

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

1 a 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 instr.)	
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1 6,523.
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (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 pmts and 2009 overpayment credited to 2010 b Exempt foreign organizations – tax withheld at source c Tax paid with application for extension of time to file (Form 8868) d Backup withholding erroneously withheld	2 0. 3 6,523. 4 0. 5 6,523.
7 Total credits and payments. Add lines 6a through 6d 8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached 9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed 10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid 11 Enter the amount of line 10 to be: Credited to 2011 estimated tax ► 1,019. Refunded	7 7,542. 8 9 0. 10 1,019. 11 0.

Part VII-A Statements Regarding Activities

1 a 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
1a	X	

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

1b	X	

If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.

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

1c	X

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

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

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

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

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

2	X

3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If 'Yes,' attach a conformed copy of the changes*

3	X

4 a 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	X

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

• By language in the governing instrument, or

• By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?

6	X

7 Did the foundation have at least \$5,000 in assets at any time during the year? *If 'Yes,' complete Part II, column (c), and Part XV*

7	X

8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) ►

CO

8a	

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

See Statement 11

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)? *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		X
12		X
13	X	
14	John Nils Hanson PO BOX 9295 AVON CO	Telephone no (858) 487-8518 ZIP + 4 81620-9203
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
	Yes	No
See 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	<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 the instructions)?	1b	N/A
Organizations relying on a current notice regarding disaster assistance check here ►		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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	<input checked="" type="checkbox"/> No
If 'Yes,' list the years ► 20__, 20__, 20__, 20__		
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 the instructions.)	2b	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 ► 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)	3b	N/A
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

 Yes No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?

 Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

 Yes No

(4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)

 Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

 Yes No

b If any answer is 'Yes' to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?

5b N/A

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' to 6b, file Form 8870

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

 Yes No

7b

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

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 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
John Nils Hanson PO BOX 9295 AVON, CO 81620-9203	Trustee 0	0.	0.	0.
Stephanie M. Hanson PO BOX 9295 AVON, CO 81620-9203	Trustee 0	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1 – see 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

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 instructions). If none, enter 'NONE'.

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

Part IX-A Summary of Direct Charitable Activities

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

Expenses

organizations and other beneficiaries served, conferences convened, research papers produced, etc.	
1	<u>See Statement 12</u>
2	
3	
4	

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

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

Amount

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

All other program-related investments. See instructions

3 _____

Total. Add lines 1 through 3

Form 990-PF (2010)

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	3,713,542.
b Average of monthly cash balances	1b	
c Fair market value of all other assets (see instructions)	1c	
d Total (add lines 1a, b, and c)	1d	3,713,542.
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	3,713,542.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	55,703.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	3,657,839.
6 Minimum investment return. Enter 5% of line 5	6	182,892.

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	182,892.
2a Tax on investment income for 2010 from Part VI, line 5	2a	6,523.
b Income tax for 2010 (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	6,523.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	176,369.
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	176,369.
6 Deduction from distributable amount (see instructions)	6	
7 Distributable amount as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	176,369.

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	191,768.
b Program-related investments – total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	191,768.
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 instructions)	5	6,523.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	185,245.

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

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Form 990-PF (2010)

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				176,369.
2 Undistributed income, if any, as of the end of 2010:			0.	
a Enter amount for 2009 only		0.		
b Total for prior years: 20____, 20____				
3 Excess distributions carryover, if any, to 2010:				
a From 2005				
b From 2006				
c From 2007	4,184.			
d From 2008				
e From 2009	40,819.			
f Total of lines 3a through e	45,003.			
4 Qualifying distributions for 2010 from Part XII, line 4 ► \$ 191,768.			0.	
a Applied to 2009, but not more than line 2a				
b Applied to undistributed income of prior years (Election required – see instructions)		0.		
c Treated as distributions out of corpus (Election required – see instructions)	0.			
d Applied to 2010 distributable amount				176,369.
e Remaining amount distributed out of corpus	15,399.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:	60,402.			
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5			0.	
b Prior years' undistributed income Subtract line 4b from line 2b			0.	
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed			0.	
d Subtract line 6c from line 6b Taxable amount – see instructions			0.	
e Undistributed income for 2009 Subtract line 4a from line 2a. Taxable amount – see instructions			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) (see instructions)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	60,402.			
10 Analysis of line 9.				
a Excess from 2006				
b Excess from 2007	4,184.			
c Excess from 2008				
d Excess from 2009	40,819.			
e Excess from 2010	15,399.			

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Form 990-PF (2010)

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

N/A

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

See Statement 13

- b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

None

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

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

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

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

- ↳ Any submission deadlines.

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

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<i>a Paid during the year</i> See Statement 14				
Total			► 3a	186,500.
<i>b Approved for future payment</i>				
Total			► 3b	

Part XVI-A Analysis of Income-Producing Activities

	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (see the instructions)
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	16,111.	
4 Dividends and interest from securities			14	63,894.	
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					572,494.
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a <u>Energy Transfer Equity LP</u>	211110	-7,416.			
b <u>Enterprise GP Holdings LP</u>	211110	-6,719.			
c <u>Enterprise Products Ptnrs</u>	211110	-314.			
d <u>Plains All Amer Pipeln LP</u>	211110	-2,102.			
e					
12 Subtotal Add columns (b), (d), and (e)		-16,551.		80,005.	572,494.
13 Total. Add line 12, columns (b), (d), and (e)				13	635,948.

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**

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

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

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

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

Yes No

b If 'Yes,' complete the following schedule

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

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

**Sign
Here**

Signature of officer or trustee

15/13/11
Date

TRUSTEE

Paid Preparer Use Only	Print/Type preparer's name CRAIG A. BOROS	Preparer's signature <i>Craig A. Boros</i>	Date 5/9/11	Check if <input type="checkbox"/> if self-employed	PTIN N/A
	Firm's name ► BOROS & FARRINGTON, CPAs, APC	Firm's EIN ► N/A			
	Firm's address ► 11770 BERNARDO PLAZA COURT, SUITE 210 SAN DIEGO, CA 92128-2424	Phone no (858) 487-8518			

BAA

Form 990-PF (2010)

Statement 1
Form 990-PF, Part I, Line 11
Other Income

	(a) Revenue per Books	(b) Net Investment Income	(c) Adjusted Net Income
Energy Transfer Equity LP	\$ -7,416.	13.	
Enterprise GP Holdings LP	-6,719.	-75.	
Enterprise Products Ptnrs	-314.	-7.	
Plains All Amer Pipeln LP	-2,102.	33.	
Total	<u>\$ -16,551.</u>	<u>\$ -36.</u>	<u>0.</u>

Statement 2
Form 990-PF, Part I, Line 16b
Accounting Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Professional Fees	\$ 4,975.			
Total	<u>\$ 4,975.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 4,975.</u>

Statement 3
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Excise Tax Based on Investment Income	\$ 6,523.			
Total	<u>\$ 6,523.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

Statement 4
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Administrative Expense	\$ 285.			\$ 285.
Bank Fees	129.	\$ 121.		8.
Certification Fees	60.	60.		
Total	<u>\$ 474.</u>	<u>\$ 181.</u>	<u>\$ 0.</u>	<u>\$ 293.</u>

Statement 5
Form 990-PF, Part II, Line 10b
Investments - Corporate Stocks

<u>Corporate Stocks</u>	<u>Valuation Method</u>	<u>Book Value</u>	<u>Fair Market Value</u>
20000 Shs Joy Global Inc	Cost	\$ 1,283,900.	\$ 1,735,000.
1000 Shs Altria Group Inc	Cost	19,595.	24,620.
1000 Shs Altria Group Inc	Cost	15,645.	24,620.
1000 Shs Ameren Corp	Cost	33,680.	28,190.
1000 Shs AT&T Inc	Cost	29,999.	29,380.
1000 Shs Bristol-Myers Squibb Co	Cost	21,359.	26,480.
1000 Shs Centurytel Inc	Cost	27,806.	46,170.
1000 Shs Emerson Elec Co	Cost	35,475.	57,170.
1000 Shs Kimco Realty Corp MD Com REIT	Cost	22,429.	18,040.
1000 Shs Pfizer Inc Del	Cost	18,531.	17,510.
1000 Shs Verizon Communicatns Com	Cost	30,960.	35,780.
1000 Shs Weingarten Rlty Invs SBI REIT	Cost	20,818.	23,760.
1000 Shs AT&T Inc	Cost	24,856.	29,380.
1000 Shs BHP Billiton Ltd	Cost	53,823.	92,920.
1000 Shs Bristol-Myers Squibb Co	Cost	18,221.	26,480.
1000 Shs Centerpoint Energy Inc	Cost	12,496.	15,720.
1000 Shs CPFL Energia S A Adr	Cost	56,745.	76,810.
1000 Shs Chubb Corp	Cost	40,228.	59,640.
1000 Shs Chubb Corp	Cost	37,394.	59,640.
1000 Shs Dryships Inc	Cost	9,662.	5,490.
2500 Shs Dryships Inc	Cost	10,335.	13,725.
1000 Shs Du Pont E I De Nemours	Cost	32,504.	49,880.
1000 Shs Emerson Elec Co	Cost	30,299.	57,170.
1000 Shs Freeprt-McMran CPR & GLD	Cost	46,297.	120,090.
1000 Shs Kimco Realty Corp MD Com REIT	Cost	9,722.	18,040.
1000 Shs Paychex Inc	Cost	28,901.	30,910.
1000 Shs Philip Morris Intl Inc	Cost	50,218.	58,530.
1000 Shs Pfizer Inc Del	Cost	15,195.	17,510.
1200 Shs Rio Tinto Plc Spnsrd Adr	Cost	39,858.	85,992.
1000 Shs Verizon Communicatns Com	Cost	26,063.	35,780.
1100 Shs Plains All Amern Pipl Lp	Cost	51,336.	69,069.
375 Shs Enterprise GP Hldgs LP UT Ltd	Cost	7,460.	15,604.
2100 Shs Enterprise GP Hldgs LP UT Ltd	Cost	41,766.	87,381.
150 Shs Enterprise GP Hldgs LP UT Ltd	Cost	2,984.	6,241.
1750 Shs Energy Transfer Equity L	Cost	49,938.	68,372.
1000 Shs Weingarten Rlty Invs SBI REIT	Cost	10,162.	23,760.
1000 Shs Ameren Corp	Cost	29,844.	28,190.
1500 Shs Dryships Inc	Cost	7,398.	8,235.
480 Shs Frontier Communications Corp	Cost	3,771.	4,671.
1000 Shs Paychex Inc	Cost	28,154.	30,910.
1000 Shs Philip Morris Intl Inc	Cost	60,654.	58,530.
		Total \$ 2,396,481.	\$ 3,321,390.

Statement 6
Form 990-PF, Part II, Line 10c
Investments - Corporate Bonds

<u>Corporate Bonds</u>	<u>Valuation Method</u>	<u>Book Value</u>	<u>Fair Market Value</u>
50000 Goldman Sachs Group 5.7% 09 01 12	Cost	\$ 46,260.	\$ 53,368.
50000 Merrill Lynch 6.05% 08 15 12	Cost	\$ 47,456.	\$ 52,945.
50000 Verizon Global 4.375% 06 01 13	Cost	\$ 45,944.	\$ 53,451.
1000000 Shs Joy Global Inc	Cost	\$ 86,970.	\$ 108,331.
	Total	\$ <u>226,630.</u>	\$ <u>268,095.</u>

Statement 7
Form 990-PF, Part II, Line 13
Investments - Other

<u>Other Publicly Traded Securities</u>	<u>Valuation Method</u>	<u>Book Value</u>	<u>Fair Market Value</u>
500 Shs Oil SVC HLDRS DEP RCPT	Cost	\$ 49,606.	\$ 70,265.
	Total	\$ <u>49,606.</u>	\$ <u>70,265.</u>

Statement 8
Form 990-PF, Part II, Line 15
Other Assets

	<u>Book Value</u>	<u>Fair Market Value</u>
Excise Tax Refund	\$ 1,019.	\$ 1,019.
Total	\$ <u>1,019.</u>	\$ <u>1,019.</u>

Statement 9
Form 990-PF, Part III, Line 3
Other Increases

F/S Partnership Distribution	\$ 3,780.
F/S Partnership Distribution	\$ 3,867.
F/S Partnership Distribution	\$ 4,131.
Partnership K-1 (income)/loss	\$ 2,102.
Partnership K-1 (income)/loss	\$ 314.
Partnership K-1 (income)/loss	\$ 6,719.
Partnership K-1 (income)/loss	\$ 7,416.
	Total \$ <u>28,329.</u>

2010**Federal Statements****Page 4****HANSON FAMILY FOUNDATION****25-6912093****Statement 10****Form 990-PF, Part III, Line 5****Other Decreases**

F/S gain on sale of JoyG shares < than tax (carryover basis)	\$ 505,050.
Other decreases	1,193.
Total	\$ 506,243.

Statement 11**Form 990-PF, Part VII-A, Line 8b****Copies of Form 990-PF to State Officials**

Not required to register with the Colorado Attorney General unless the Foundation solicits contributions from ten (10) or more individuals. No solicitations occurred.

Statement 12**Form 990-PF, Part IX-A, Line 1****Summary of Direct Charitable Activities**

<u>Direct Charitable Activities</u>	<u>Expenses</u>
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The Trustees shall use their best efforts to utilize the trust funds to promote traditional and conservative values in supporting music, the arts, education, public policy research and development that specifically qualifies as a charitable purpose, community development, and health related services.

Statement 13**Form 990-PF, Part XV, Line 1a****Foundation Managers - 2% or More Contributors**

John Nils Hanson
Stephanie M. Hanson

Statement 14**Form 990-PF, Part XV, Line 3a****Recipient Paid During the Year**

<u>Name and Address</u>	<u>Donee Relationship</u>	<u>Found- ation Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
The Leadership Institute 1101 North Highland Street Arlington, VA 22201	None	501C3	Promote leadership through education.	\$ 35,000.

Statement 14 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Found- ation Status	Purpose of Grant	Amount
The Heritage Foundation 214 Massachusetts Avenue, NE Washington, DC, 20002	None	501C3	Promote research and leadership through education.	\$ 66,500.
Media Research Center 325 S. Patrick St. Alexandria, VA 22314	None	501C3	Promote research and leadership through education.	20,000.
Freedom Alliance 22570 Markey Ct. Ste. 240 Dulles, VA 20166	None	501C3	Support of injured troops.	5,000.
Coalition to Salute America's Heroes 2 Church St. Ste. 101 Ossining, NY 10562	None	501C3	Aid to severely wounded troops and families.	10,000.
Hillsdale College 33 East College Street Hillsdale, MI 49242	None	501C3	Promote research and leadership through education.	5,000.
San Diego Armed Services YMCA 3293 Santo Road San Diego, CA 92124	None	501C3	Support of active military families.	10,000.
The Claremont Institute 937 West Foothill Blvd, Ste E Claremont, CA 91711	None	501C3	Promote research and leadership through education.	5,000.
St Vincent De Paul Village 3350 E Street San Diego, CA 92101	None	501C3	Support for needy families.	10,000.
Americans for Prosperity Foundation 1726 M St NW, 10th Floor Washington DC, 20036	None	501C3	Promote leadership through education.	5,000.
National Center for Public Policy Resear 501 Capital Court, N. E., Suite 200 Washington, DC 20002	None	501C3	Support public policy research	5,000.
Navy Seal Warrior Fund P. O. Box 111 Essex, CT 06426	None	501C3	Support of active military families.	5,000.

HANSON FAMILY FOUNDATION

25-6912093

Statement 14 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

<u>Name and Address</u>	<u>Donee Relationship</u>	<u>Found- ation Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
Committee for a Constructive Tomorrow 1875 Eye St NW Washington DC, 20006	None	501C3	Expose students to accurate environmental science.	\$ 5,000.
			Total	<u>\$ 186,500.</u>

2010**Federal Supporting Detail****Page 1****HANSON FAMILY FOUNDATION****25-6912093****Other Income Producing Activities**
Dividends/interest from securities.

Merrill Lynch Ordinary Dividends	\$ 62,262.
Merrill Lynch Ordinary Dividends-Supplemental Stmt	1,198.
Merrill Lynch Cap Gain Distributions	434.
Total	\$ 63,894.

Other Revenue
Net investment income
Plains All Amer Pipeln LP

Interest Income	\$ 6.
Ordinary Dividends	27.
Total	\$ 33.

Other Revenue
Net investment income
Enterprise GP Holdings LP

Interest Income	\$ 8.
Ordinary Dividends	2.
Net section 1231 gain (loss)	-85.
Total	\$ -75.

Other Revenue
Net investment income
Energy Transfer Equity LP

Interest Income	\$ 6.
Ordinary Dividends	7.
Total	\$ 13.

Other Revenue
Net investment income
Enterprise Products Ptnrs

Interest Income	\$ 3.
Net Section 1231 gain (loss)	-10.
Total	\$ -7.