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

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 **, 2010, and ending , 20**

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 Employer identification number KIT CARSON ELECTRIC COOPERATIVE, INC. 31-1578049		
Number and street (or P O box number if mail is not delivered to street address)		Room/suite PO BOX 578 5757582258		
City or town, state, and ZIP code TAOS, NM 87571				
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation				
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ► \$ 69,632 (Part I, column (d) must be on cash basis)		J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____		
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
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	10,450		
	2 Check ► <input type="checkbox"/> if the foundation is not required to attach Sch. B			
	3 Interest on savings and temporary cash investments	103	103	
	4 Dividends and interest from securities	3,452	3,452	
	5a Gross rents			
	b Net rental income or (loss) _____			
	6a Net gain or (loss) from sale of assets not on line 10			
	b Gross sales price for all assets on line 6a _____			
	7 Capital gain net income (from Part IV, line 2) . . .			
	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 or (loss) (attach schedule)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	14,005	3,555		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	3,450	345	3,105
	14 Other employee salaries and wages			
	15 Pension plans, employee benefits			
	16a Legal fees (attach schedule) ED			
	b Accounting fees (attach schedule)	750		
	c Other professional fees (attach schedule)			
	17 Interest AUG 22 2011			
	18 Taxes (attach schedule) (see page 14 of the instructions)	272		
	19 Depreciation (attach schedule) and depletion			
	20 Occupancy OGDEN, UT			
	21 Travel, conferences, and meetings	1,229	123	1,106
	22 Printing and publications			
	23 Other expenses (attach schedule)	9		
	24 Total operating and administrative expenses. Add lines 13 through 23	5,710	468	4,211
25 Contributions, gifts, grants paid	45,200		45,200	
26 Total expenses and disbursements. Add lines 24 and 25	50,910	468	49,411	
27 Subtract line 26 from line 12: a Excess of revenue over expenses and disbursements b Net investment income (if negative, enter -0-) c Adjusted net income (if negative, enter -0-)	(36,905)	3,087		

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	2,259	11,287	11,287
	2	Savings and temporary cash investments			
	3	Accounts receivable ►			
		Less: allowance for doubtful accounts ►			
	4	Pledges receivable ►			
		Less: allowance for doubtful accounts ►			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ►			
		Less: allowance for doubtful accounts ►			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U.S. and state government obligations (attach schedule)	32,223	16,642	16,642
	b	Investments—corporate stock (attach schedule)	31,987	18,239	18,239
	c	Investments—corporate bonds (attach schedule)	37,833	23,464	23,464
	11	Investments—land, buildings, and equipment: basis ►			
Liabilities		Less: accumulated depreciation (attach schedule) ►			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment, basis ►			
		Less: accumulated depreciation (attach schedule) ►			
	15	Other assets (describe ►)			
	16	Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	104,402	69,632	69,632
	17	Accounts payable and accrued expenses	750	-0-	
	18	Grants payable	-0-		
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
Net Assets or Fund Balances	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ►)			
	23	Total liabilities (add lines 17 through 22)	750	-0-	
	Foundations that follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted	103,652	69,632	
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see page 17 of the instructions)	103,652	69,632	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	104,402	69,632	

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	103,652
2	Enter amount from Part I, line 27a	2	(36,905)
3	Other increases not included in line 2 (itemize) ► Unrealized gain on Investment	3	2,885
4	Add lines 1, 2, and 3	4	69,632
5	Decreases not included in line 2 (itemize) ►	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	69,632

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 Publicly traded securities			P	Various	8/02/2011
b Publicly traded securities			P	Various	8/02/2011
c Publicly traded securities			P	Various	8/02/2011
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 16,333.			15,798		535
b 16,333			16,070		263
c 16,333			18,211		(1,878)
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) 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		(1,080)
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.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part

1 Enter the appropriate amount in each column for each year; see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2009			
2008			
2007			
2006			
2005			
2 Total of line 1, column (d)			2
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
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5			4
5 Multiply line 4 by line 3			5
6 Enter 1% of net investment income (1% of Part I, line 27b)			6
7 Add lines 5 and 6			7
8 Enter qualifying distributions from Part XII, line 4 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.			8

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	62	00
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-)	2	-0-	
3	Add lines 1 and 2			
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-			
6	Credits/Payments:			
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	160	00
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			
7	Total credits and payments. Add lines 6a through 6d	7	225	00
8	Enter any penalty for underpayment of estimated tax. Check here <input 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 ► <input type="checkbox"/> 163.00 Refunded ► <input type="checkbox"/> 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?	1a	✓
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?		
	<i>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.</i>		
c	Did the foundation file Form 1120-POL for this year?	1c	✓
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year. (1) On the foundation. ► \$ _____ (2) On foundation managers. ► \$ _____		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ _____		
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>	2	✓
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? <i>If "Yes," attach a conformed copy of the changes</i>		
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?		
b	If "Yes," has it filed a tax return on Form 990-T for this year?	4a	✓
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		
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?		
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	6	✓
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ►		
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 <i>General Instruction G</i> ? <i>If "No," attach explanation</i>		
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)? <i>If "Yes," complete Part XIV</i>	8b	✓
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		

Part VII-A Statements Regarding Activities (continued)

11		✓
12		✓
13	✓	
14	The books are in care of ► Margaret Gonzales Located at ► 118 Cruz Alta Rd Taos, NM	Telephone no. ► 575-758-2258 ZIP+4 ► 87571-0578
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 ►	

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? (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? (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)? (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
1b	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 ► □		
1c	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?		✓
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 type="checkbox"/> No
2b	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.)		
3a	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____		
3b	3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? 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.)	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4a	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?	<input checked="" type="checkbox"/> Yes	✓
4b			✓

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))?	<input type="checkbox"/> Yes	<input 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 type="checkbox"/> No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes	<input 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 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 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 type="checkbox"/>		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?	<input type="checkbox"/> Yes	<input type="checkbox"/> No		
	<i>If "Yes," attach the statement required by Regulations section 53.4945–5(d).</i>				
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 type="checkbox"/> No	6b	
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<input type="checkbox"/>			✓
	<i>If "Yes" to 6b, file Form 8870.</i>				
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes	<input 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"/>			

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
See Attached Schedule		3,450		
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				►

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	N/A	
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	N/A	
2		
All other program-related investments. See page 24 of the instructions		
3		
Total. Add lines 1 through 3	►

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	80,194
b	Average of monthly cash balances	1b	6,823
c	Fair market value of all other assets (see page 25 of the instructions)	1c	-0-
d	Total (add lines 1a, b, and c)	1d	87,017
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	-0-
3	Subtract line 2 from line 1d	3	87,017
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	1,305
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	85,712
6	Minimum investment return. Enter 5% of line 5	6	4,286

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	4,286
2a	Tax on investment income for 2010 from Part VI, line 5	2a	62
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	-0-
c	Add lines 2a and 2b	2c	62
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	4,224
4	Recoveries of amounts treated as qualifying distributions	4	-0-
5	Add lines 3 and 4	5	4,224
6	Deduction from distributable amount (see page 25 of the instructions)	6	-0-
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	4,224

Part XII Qualifying Distributions (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:	1a	49,411
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1b	
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	49,411
b	Cash distribution test (attach the required schedule)	5	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	6	49,411
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				4,224
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 ____ ,20 ____			-0-	
3 Excess distributions carryover, if any, to 2010:				
a From 2005	32,339			
b From 2006	35,490			
c From 2007	32,106			
d From 2008	41,003			
e From 2009	42,907			
f Total of lines 3a through e	183,845			
4 Qualifying distributions for 2010 from Part XII, line 4: ► \$ 49,411				-0-
a Applied to 2009, but not more than line 2a				-0-
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)			-0-	
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)			-0-	
d Applied to 2010 distributable amount				-0-
e Remaining amount distributed out of corpus	45,187			
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:				
a Corpus. Add lines 3f, 4c, and 4e Subtract line 5	229,032			
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 page 27 of the instructions			-0-	
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount—see page 27 of the 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 page 27 of the instructions)		-0-		
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)	32,339			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	196,693			
10 Analysis of line 9:				
a Excess from 2006	35,490			
b Excess from 2007	32,106			
c Excess from 2008	41,003			
d Excess from 2009	42,907			
e Excess from 2010	45,187			

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 ►			
b	Check box to indicate whether the foundation is a private operating foundation described in section <input 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 $\frac{2}{3}$ 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).)

NONE

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 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:

Rudy Martinez, President-Kit Carson Electric Education Foundation Po Box 578 Taos, NM 87571 (575)758-2258

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

See Attached

c Any submission deadlines:

Scholarship Applications must be received on or before April 15th, other applications are accepted anytime.

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	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 <i>Paid during the year</i>				
See Attached Schedule				45,200
Total				► 3a 45,200
b <i>Approved for future payment</i>				
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						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments					
4	Dividends and interest from securities					
5	Net rental income or (loss) from real estate:					
a	Debt-financed property					
b	Not debt-financed property					
6	Net rental income or (loss) from personal property					
7	Other investment income					
8	Gain or (loss) from sales of assets other than inventory					
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue: a					
b						
c						
d						
e						
12	Subtotal. Add columns (b), (d), and (e)					3,555
13	Total. Add line 12, columns (b), (d), and (e)					13
(See worksheet in line 12 instructions on page 28 to verify totals.)						3,555

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

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

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

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

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?	
	Yes	No
a	Transfers from the reporting foundation to a noncharitable exempt organization of:	
(1) Cash	1a(1)	✓
(2) Other assets	1a(2)	✓
b	Other transactions:	
(1) Sales of assets to a noncharitable exempt organization	1b(1)	✓
(2) Purchases of assets from a noncharitable exempt organization	1b(2)	✓
(3) Rental of facilities, equipment, or other assets	1b(3)	✓
(4) Reimbursement arrangements	1b(4)	✓
(5) Loans or loan guarantees	1b(5)	✓
(6) Performance of services or membership or fundraising solicitations	1b(6)	✓
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	
d	If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.	

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? Yes No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
Kit Carson Electric Cooperative Inc.	501(c)12	Grantor of the foundation

**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

18 / / Date

→ Title

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ►			Firm's EIN ►	
	Firm's address ►			Phone no	

Kit Carson Electric Education Foundation
2010 FORM 990-PF
EIN 31-1578049

PART I, Line 16 - Accounting Fees

Description	Amount
Audit Fees	750

PART I, Line 18 - Taxes

Description	Amount
Internal Revenue Service	272
Excise Tax	
	<u>\$ 272</u>

PART I, Line 23 - Other Expenses

Description	Amount
Legal Advertisement	9
NM Public Regulation Comm	
	<u>\$ 9</u>

Kit Carson Electric Education Foundation
2010 FORM 990-PF
EIN 31-1578049

PART VIII, Line 1 - List of Officers, Directors, Trustees, and their compensation

Name & Address	Title & avg hrs per wk devoted to position	Compensation	Contri. To emp benefit plans
Rudy Martinez PO Box 3007 Taos, NM 87571	President 2hour	\$ 900	0
David Arguello PO Box 49 Amalia, NM 87512	V.President 1hour	750	0
Steve Archuleta PO Box 77 El Rito, NM 87530	Seretary / Treasurer 1hour	750	0
Catherine Garduno PO Box 336 Penasco, NM 87553	1hour	600	0
Diane Steinman HCR 70 Box 24 Ocate, NM 87734	1 hour	450	0
<hr/>			
Total		<u>\$ 3,450</u>	

Recipient's Name Name & Address Home or Business	If Recipient is an individual show any relationship to any foundation manager substantial contributor	Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
Chasteen, Brittany, 2010, P O Box 564, Ranchos de Taos, NM 87557	None		Scholarship	\$ 1,000 00
Apodaca, Jamie, 2010, 38 Coyote Circle, Ranchos de Taos, NM 87557	None		Scholarship	\$ 1,000 00
Vigil, Louisa, 2010, P O Box 338, Ranchos de Taos, NM 87557	None		Scholarship	\$ 1,000 00
Armendariz, Diana, 2010, P O Box 5630, Taos, NM 87571	None		Scholarship	\$ 1,000 00
Vigil, Christopher, 2010, P O Box 811, Ranchos de Taos, NM 87557	None		Scholarship	\$ 1,000 00
Chavez, Sandra, 2010, P O Box 2094, Ranchos de Taos, NM 87557	None		Scholarship	\$ 1,000 00
Martinez, Samantha, 2010, P O Box 93, Taos, NM 87571	None		Scholarship	\$ 1,000 00
Trujillo, Michael, 2010 P O Box 2293, Taos, NM 87571	None		Scholarship	\$ 1,000 00
Johnson, Jalen, 2010, 10 Camino De Las Arroyos, Ranchos de Taos, NM 87557	None		Scholarship	\$ 1,000 00
Martinez, Dustin, 2010, P O Box 334, Arroyo Seco, NM 87514	None		Scholarship	\$ 1,000 00
Oysler, Nekoda, 2010, P O Box 242, Taos, NM 87571	None		Scholarship	\$ 1,000 00
Arellano, Angel DeNieves, 2010, P O Box 27, San Crisobal, NM 87564	None		Scholarship	\$ 1,000 00
Archuleta, Erica, 2010, P O Box 150, Cerro, NM 87519	None		Scholarship	\$ 1,000 00
Quintana, Monica, 2010, P O Box 893, Questa, NM 87556	None		Scholarship	\$ 1,000 00
Gallegos, Amber, 2010, P O Box 121, Amalia, NM 87512	None		Scholarship	\$ 1,000 00
Henderson, Ozzy, 2010, P O Box 112, Costilla, NM 87524	None		Scholarship	\$ 1,000 00
Zimmerman, Kelsea, 2010, P O Box 333, Red River, NM 87558	None		Scholarship	\$ 1,000 00
Sanchez, Felipe, 2010, HC 81 Box 703, Questa, NM 87556	None		Scholarship	\$ 1,000 00
Chavez, Lucrecia, 2010, P O Box 310, El Rito, NM 87530	None		Scholarship	\$ 1,000 00
Galvez, Mariah, 2010, P O Box 67, Ojo Caliente, NM 87549	None		Scholarship	\$ 1,000 00
Alire, Jared, 2010, P O Box 223, Vallecitos, NM 87581	None		Scholarship	\$ 1,000 00
Vasquez, Alexandria, 2010, HCR 67 Box 125, La Madera, NM 87539	None		Scholarship	\$ 1,000 00
Martinez, Robin, 2010, P O Box 371, El Rito, NM 87530	None		Scholarship	\$ 1,000 00
Giron, Samanth, 2010, P O Box 274, Ojo Caliente, NM 87549	None		Scholarship	\$ 1,000 00
Roybal, Albert, 2010, P O Box 283, Penasco, NM 87553	None		Scholarship	\$ 1,000 00
Rodriguez, Julian, 2010, 1205 State Rd 75, Penasco, NM 87553	None		Scholarship	\$ 1,000 00
Lopez, Victoria, 2010, P O Box 302, Penasco, NM 87553	None		Scholarship	\$ 1,000 00
Pacheco, Chastity, 2010, P O Box 457, Penasco, NM 87553	None		Scholarship	\$ 1,000 00
Lopez, Alexine, 2010, Box 4-A, Trampas, NM 87576	None		Scholarship	\$ 1,000 00
Inman, Holly, 2010, P O Box 835, Texico, NM 88135	None		Scholarship	\$ 1,000 00
Woolridge, Cheyenne, 2010, P O Box 1065, El Prado, NM 87529	None		Scholarship	\$ 1,000 00
Gaffney, Lewis, 2010, P O Box 1338, Angel Fire, NM 87710	None		Scholarship	\$ 1,000 00
Colenda, Joshua, 2010, P O Box 1023, Angel Fire, NM 87710	None		Scholarship	\$ 1,000 00
Torres, Daniel, 2010, P O Box 1273, Angel Fire, NM 87710	None		Scholarship	\$ 1,000 00
Church, Chelsea, 2010, P O Box 444, Red River, NM 87558	None		Scholarship	\$ 1,000 00
Montano, Johnny, 2010, P O Box 1181, Angel Fire, NM 87710	None		Scholarship	\$ 1,000 00
Garcia, Desiree, 2010, P O Box 1284, Espanola, NM 87532	None		Scholarship	\$ 1,000 00
Duran, Jose, Replacement Scholarship Check - 2009 Recipient	None		Scholarship	\$ 1,000 00
Jesse Shannon - Taos Thunder, P O Box 2468, Ranchos de Taos, NM 87557	None		Donation	\$ 300 00
Richard Apodaca - Northern NM Flight AAU Basketball, Taos, NM 87571	None		Donation	\$ 300 00
Taos County ARC, 1030 Salazar Road, Taos, NM 87571	None		Donation	\$ 300 00
Taos Youth Football League - Ursula & Zach Cordova, P O Box 1503, Ranchos de Taos, NM 87557	None		Donation	\$ 300 00
Living Word Ministries - Peter Martinez, HC 71 Box 624, Questa, NM 87556	None		Donation	\$ 400 00
Taos Christian Academy - Pastor Manuel Aguilar, 814 Witt Road, Taos, NM 87571	None		Donation	\$ 400 00
Arroyos Del Norte - Joella Apodaca, 213 Paseo del Canon, Taos, NM 87571	None		Donation	\$ 400 00
Rio Costilla Elementary School - Deluvina Sanchez, Box 89, Amalia, NM 87512	None		Donation	\$ 300 00
Rio Costilla Elementary School - Diana Sanchez, Box 99, Costilla, NM 87524	None		Donation	\$ 300 00
Questa Little League - Lawrence Ortega, P O Box 799, Questa, NM 87556	None		Donation	\$ 300 00
Questa Minicats Basketball Team - Monique Trujillo, P O Box 1153, Questa, NM 87556	None		Donation	\$ 300 00
Mesa Vista Consolidated Schools, P O Box 6, El Rito, NM 87530	None		Donation	\$ 100 00
Mesa Vista FFA - Connie Lujan, P O Box 50, Ojo Caliente, NM 87549	None		Donation	\$ 300 00
John Waterman - Mesa Vista Industrial Arts Program, P O Box 6, El Rito, NM 87530	None		Donation	\$ 350 00
Bernadette Galvez - Mesa Vista National Honor Society, P O Box 6, El Rito, NM 87530	None		Donation	\$ 300 00
Mesa Vista Schools - Gina Terrazas, P O Box 6, El Rito, NM 87530	None		Donation	\$ 150 00
Shirley Romo - Penasco High School - Athletic Dept, P O Box 520, Penasco, NM 87553	None		Donation	\$ 100 00
Anna Villa-Neighbor - Penasco High School - Yearbook Club, P O Box 520, Penasco, NM 87553	None		Donation	\$ 100 00
Mech A - Ray Maestas, P O Box 520, Penasco, NM 87553	None		Donation	\$ 100 00
Penasco High School - Yearbook Club - Ana Villa - Neighbor, P O Box 520, Penasco, NM 87553	None		Donation	\$ 100 00
Penasco High School Tech Student Association Chapter, P O Box 520, Penasco, NM 87553	None		Donation	\$ 100 00
Penasco Elementary School - Rafaelita Medina, P O Box 520, Penasco, NM 87553	None		Donation	\$ 100 00
Penasco Elementary - Spelling Bee, P O Box 520, Penasco, NM 87553	None		Donation	\$ 100 00
Penasco High School 2nd Grade - Anita Lucero, P O Box 520, Penasco, NM 87553	None		Donation	\$ 100 00
Penasco Schools - 6th Grade - Rosemary Fernandez, P O Box 520, Penasco, NM 87553	None		Donation	\$ 100 00
Penasco Elementary - Inez Ortega, P O Box 520, Penasco, NM 87553	None		Donation	\$ 100 00
Penasco Elementary - Agnes Romero, P O Box 520, Penasco, NM 87553	None		Donation	\$ 100 00
Penasco Cub Scout Pack 260, HC 65 Box 11, Vadito, NM 87579	None		Donation	\$ 100 00
Janet L. Martin - Eagle Nest School, P O Box 287, Eagle Nest, NM 87718	None		Donation	\$ 100 00
Lee Mills - Eagle Nest School, P O Box 287, Eagle Nest, NM 87718	None		Donation	\$ 300 00
Eagle Nest Schools - Lee Mills, P O Box 287, Eagle Nest, NM 87718	None		Donation	\$ 400 00
Moreno Valley High School - Edible Yard & Renew Energ, P O Box 287, Eagle Nest, NM 87718	None		Donation	\$ 400 00
				\$ 45,200 00

**2011 KIT CARSON ELECTRIC EDUCATION FOUNDATION
SCHOLARSHIP FUND**

A one-time scholarship available to High School seniors, to be paid to the recipient at the start of the Fall College semester.

Eligibility

1. *Available to qualified students who attend either a public or private school and whose parents are members of the Kit Carson Electric Cooperative, Inc. and reside within the service area of the Cooperative. A “public or private school” includes a public, charter, Christian or parochial school or a student who has successfully completed a home-school program.*
2. *Scholarships are to be granted to attend a recognized and accredited institution of higher education.*
3. *Applicant must be of good character as evidenced by at least one (1) letter of recommendation from teachers, principals, counselors, etc. from the schools they are currently attending.*
4. *Applicant must make his/her arrangements for an official transcript of school record to be provided to the Kit Carson Electric Education Foundation, Inc. by the high school.*
5. *Applicant must demonstrate a coherent degree plan and willingness to pursue a course of higher learning.*
6. *Applications must be postmarked no later than April 15, 2011. If any of the documentation requested is not provided by the deadline date your application will be denied. Awards will be announced within thirty (30) days of the deadline date.*
7. *Applicant must provide an original class schedule from the college or school they will be attending to Margaret Gonzales, Executive Secretary of Kit Carson Electric Cooperative, Inc. for verification before monies will be disbursed.*

SCHOLARSHIP APPLICATION FORM
Kit Carson Electric Education Foundation
P.O. Box 578
Taos, NM 87571

Name of Applicant _____ *Telephone* _____

Address (Mailing) _____

Address (Physical) _____

City: _____ *State:* _____ *Zip Code:* _____

E-mail Address: _____

Father's Name _____ *Mother's Name* _____

Are your parents or legal guardian receiving electrical service from Kit Carson Electric? (If legal guardian proof of guardianship must be provided)

Yes _____ *No* _____

If you answered yes, what is the name and membership # in which your parent's electric account is listed under?

Name _____

Member # _____

In what field do you plan to Major? _____ *Minor?* _____

Have you been accepted? _____ *By which college(s) or University(ies)*

Have you received any other scholarships or grants? (Circle one) Yes or No.

High School Attended:

Academic Honors Received:

School-sponsored Clubs and Activities:

Work Experience: List employer, address, and length of time employed.

IN APPROXIMATELY 100 WORDS, WRITE WHY YOU CHOSE THE FIELD YOU PLAN TO MAJOR AND WHAT YOU PLAN TO DO ONCE YOU COMPLETE YOUR EDUCATION. (ATTACH A SEPARATE SHEET OF PAPER).

APPLICANT MUST MAKE HIS/HER ARRANGEMENTS FOR AN OFFICIAL TRANSCRIPT OF SCHOOL RECORD TO BE PROVIDED TO THE KIT CARSON ELECTRIC EDUCATION FOUNDATION BY THE HIGH SCHOOL.

ALL SCHOLARSHIPS THAT ARE AWARDED ARE VALID FOR ONE YEAR ONLY FROM THE DATE OF APPROVAL. IN CERTAIN CIRCUMSTANCES EXTENSIONS MAY BE GRANTED. A LETTER REQUESTING AN EXTENSION MAY BE SUBMITTED TO THE FOUNDATION BOARD FOR REVIEW.

I agree to permit the review of this Application and my school records by anyone representing the Kit Carson Electric Education Foundation.

Enclosed is one letter of recommendation from guidance counselors, principals, the superintendent or teachers from the high school I currently attend and an official transcript from the high school from which I will graduate from this year.

*Send Applications to: Kit Carson Electric Foundation
 Scholarship Fund
 P.O. Box 578
 Taos, NM 87571*

Date: _____

Signature of Applicant

Date: _____

Signature of Parent or Guardian

* * * Proof * * *

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 (505)823-7777

Account Information

Phone: (575) 758-2258
 Name: KIT CARSON ELECTRIC COOP-JN
 Account #: C86666
 Address: PO BOX 578
 TAOS, NM 87571
 Client:
 Email:
 Placed by: MARGARET
 Fax #:

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The annual return of the Kit Carson Electric Education Foundation is available at the address noted below for inspection during normal business hours by any member who so request within 180 days after publishing this notice of its availability. Kit Carson Electric Education Foundation, Inc., 118 Cruz Alta Road, Taos, NM 87571. The Principle Officer is Rudy Martinez, President. Telephone 575-758-2258.

Journal North: August 17, 2011