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

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

For calendar year **2011** or tax year beginning , 2011, and ending , 20

Name of foundation THE VERANO FUND		A Employer identification number 31-1689508
Number and street (or P O box number if mail is not delivered to street address) C/O HOWLAND CAPITAL MANAGEMENT, INC. 75 FEDERAL STREET	Room/suite 1100	B Telephone number (see instructions) (617) 357-9110 EXT 234
City or town, state, and ZIP code BOSTON, MA 02110-1911		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply	<input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change	<input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change
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		D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 1,364,476.		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
J Accounting method. <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis.)		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
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 instructions))				
1 Contributions, gifts, grants, etc., received (attach schedule)				
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	29,823.	29,823.		ATCH 1
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	29,974.			
b Gross sales price for all assets on line 6a 183,577.				
7 Capital gain net income (from Part IV, line 2)		29,974.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
11 Gross profit or (loss) (attach schedule)	104.			
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	59,901.	59,797.		ATCH 2
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 schedule) ATCH 3	1,500.			1,500.
c Other professional fees (attach schedule) *	12,105.	12,105.		
17 Interest				
18 Taxes (attach schedule) (see instructions) **	615.			
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule)				
24 Total operating and administrative expenses. Add lines 13 through 23	14,220.	12,105.		1,500.
25 Contributions, gifts, grants paid	58,750.			58,750.
26 Total expenses and disbursements. Add lines 24 and 25	72,970.	12,105.	0	60,250.
27 Subtract line 26 from line 12	-13,069.			
a Excess of revenue over expenses and disbursements		47,692.		
b Net investment income (if negative, enter -0-)				
c Adjusted net income (if negative, enter -0-)				

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SCANNED JUN 04 2012
 Operating and Administrative Expenses

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	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	44,836.	37,873.	44,836.	
	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 instructions)				
	7	Other notes and loans receivable (attach schedule) ▶				
		Less allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10 a	Investments - U S and state government obligations (attach schedule)				
	b	Investments - corporate stock (attach schedule)	887,005.	868,161.	1,125,458.	
	c	Investments - corporate bonds (attach schedule)	182,380.	194,390.	194,182.	
	11	Investments - land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶				
12	Investments - mortgage loans					
13	Investments - other (attach schedule)					
14	Land, buildings, and equipment basis ▶ 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)	1,114,221.	1,100,424.	1,364,476.		
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶)				
	23	Total liabilities (add lines 17 through 22)	0	0		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>					
	and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>					
	27	Capital stock, trust principal, or current funds	1,114,221.	1,100,424.		
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 instructions)	1,114,221.	1,100,424.			
31	Total liabilities and net assets/fund balances (see instructions)	1,114,221.	1,100,424.			

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	1,114,221.
2	Enter amount from Part I, line 27a	2	-13,069.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,101,152.
5	Decreases not included in line 2 (itemize) ▶ ATTACHMENT 6	5	728.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,100,424.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)				(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1a	SEE PART IV SCHEDULE					
b						
c						
d						
e						
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)			
a						
b						
c						
d						
e						
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) 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	29,974.	
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 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 (col (b) divided by col (c))
2010	67,151.	1,267,861.	0.052964
2009	58,910.	1,163,371.	0.050637
2008	67,000.	1,384,387.	0.048397
2007	74,000.	1,569,771.	0.047141
2006	72,049.	1,428,544.	0.050435
2	Total of line 1, column (d)		2 0.249574
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 0.049915
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5		4 1,342,138.
5	Multiply line 4 by line 3		5 66,993.
6	Enter 1% of net investment income (1% of Part I, line 27b)		6 477.
7	Add lines 5 and 6		7 67,470.
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		8 60,250.

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

Table with 11 rows for excise tax calculations. Includes categories like 'Exempt operating foundations', 'Domestic foundations', 'Tax under section 511', 'Credits/Payments', and 'Total credits and payments'. Total tax due is 679.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Includes questions about political influence, political expenditures, unrelated business income, and substantial contributors. Includes handwritten 'MA' in row 8a.

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 instructions)
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?
Website address N/A
14 The books are in care of CHARLES E. CLAPP III Telephone no (617) 357-9110
Located at 75 FEDERAL ST., STE. 1100, BOSTON, MASS. ZIP + 4 02110-1911
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 2011, 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? Yes No

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.

1a During the year did the foundation (either directly or indirectly)
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? Yes X No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? Yes X No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? Yes X No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? Yes X No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? Yes X No
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). Yes X No
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? 1b X
Organizations relying on a current notice regarding disaster assistance check here
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011? 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 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? Yes X No
If "Yes," list the years
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions) 2b X
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? Yes X No
b If "Yes," did it have excess business holdings in 2011 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 2011) 3b X
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? 4a X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011? 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... (2) Influence the outcome of any specific public election... (3) Provide a grant to an individual for travel, study, or other similar purposes... (4) Provide a grant to an organization other than a charitable, etc., organization... (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes... 5b 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... 6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? 6b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? 7b 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).

Table with 5 columns: (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. Row 1: ATTACHMENT 7, 0, 0, 0.

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

Table with 5 columns: (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. Row 1: 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 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 instructions)

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

	Amount
1 NONE	

2	

All other program-related investments See instructions	
3 NONE	

Total. Add lines 1 through 3 ▶

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	1,362,577.
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	1,362,577.
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	
3	Subtract line 2 from line 1d	3	1,362,577.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	20,439.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	1,342,138.
6	Minimum investment return. Enter 5% of line 5	6	67,107.

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	67,107.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	954.
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	954.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	66,153.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	66,153.
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	66,153.

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	60,250.
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	60,250.
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	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	60,250.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				66,153.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only				
b Total for prior years 20 09, 20 08, 20 07				
3 Excess distributions carryover, if any, to 2011				
a From 2006 652.				
b From 2007				
c From 2008				
d From 2009 1,368.				
e From 2010 4,300.				
f Total of lines 3a through e	6,320.			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 60,250.				
a Applied to 2010, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2011 distributable amount				60,250.
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))	5,903.			5,903.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	417.			
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 instructions				
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	417.			
10 Analysis of line 9				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010 417.				
e Excess from 2011				

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

NOT APPLICABLE

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling

b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year				(e) Total
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
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)(iii)					
(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 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))

A. DIX LEESON, SR.

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 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:

c 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
a <i>Paid during the year</i> ATTACHMENT 8				
Total ▶ 3a				58,750.
b <i>Approved for future payment</i>				
Total ▶ 3b				

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		TOTAL CAPITAL GAIN DISTRIBUTIONS					157.	
1,331.		34.31SHS NALCO HOLDING COMPANY 922.					03/21/2011 409.	12/08/2011
10,322.		700SHS STAPLES INC 14,033.					03/21/2011 -3,711.	06/10/2011
40.		.701SHS ECOLAB INC 32.					12/23/2010 8.	12/19/2011
984.		25.36SHS NALCO HOLDING COMPANY 812.					12/23/2010 172.	12/08/2011
17,825.		350SHS ABBOTT LABS 203.					03/02/1976 17,622.	06/10/2011
17,783.		550SHS BEST BUY INC 21,945.					-4,162.	03/01/2011
4,509.		300SHS CISCO SYSTEMS 7,257.					06/26/2008 -2,748.	06/10/2011
9,361.		100SHS CLEAN HARBORS INC 5,473.					11/19/2009 3,888.	03/17/2011
9,729.		100SHS CORE LABORATORIES NV 1,325.					06/14/2005 8,404.	03/17/2011
10,320.		200SHS DANAHER CORP 1,945.					02/25/2000 8,375.	06/10/2011
13,000.		13000SHS DOW CHEM CO 12,972.					11/18/2009 28.	05/18/2011
12,201.		300SHS FEDERATED WORLD INVT 12,858.					03/23/2000 -657.	06/10/2011

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
18,750.		300SHS HARBOR FD INTL 9,057.				12/19/2001 9,693.	06/10/2011	
18,601.		500SHS MICROCHIP TECH 17,926.				675.	03/03/2011	
13,664.		400SHS NORTHERN TR CORP 21,843.				-8,179.	09/26/2011	
25,000.		25000SHS STAPLES INC 25,000.				03/24/2009	04/01/2011	
TOTAL GAIN (LOSS)						<u>29,974.</u>		

ATTACHMENT 1

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
BLACK & CO/HOWLAND CAPITAL MGMT - DIV	20,888.	20,888.
BLACK & CO/HOWLAND CAPITAL MGMT - INT	8,935.	8,935.
TOTAL	<u>29,823.</u>	<u>29,823.</u>

ATTACHMENT 2

FORM 990PF, PART I - OTHER INCOME

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>
FEDERAL TAX REFUND	104.
TOTALS	<u>104.</u>

ATTACHMENT 3

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
TAX RETURN PREPARATION	1,500.			1,500.
TOTALS	<u>1,500.</u>			<u>1,500.</u>

ATTACHMENT 4

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
INVESTMENT MANAGEMENT FEES	12,105.	12,105.
TOTALS	<u>12,105.</u>	<u>12,105.</u>

ATTACHMENT 5

FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>
MASSACHUSETTS FILING FEE	35.
FOREIGN TAXES	580.
TOTALS	<u>615.</u>

ATTACHMENT 6FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES

<u>DESCRIPTION</u>	<u>AMOUNT</u>
ITEMS POSTED IN C/Y BELONGING TO P/Y	728.
TOTAL	<u>728.</u>

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

ATTACHMENT 7

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>
A. DIX LEESON, JR. C/O HOWLAND CAPITAL MANAGEMENT INC. 75 FEDERAL STREET, SUITE 1100 BOSTON, MA 02110-1911	0 0 0 0
CHARLES E. CLAPP III C/O HOWLAND CAPITAL MANAGEMENT INC. 75 FEDERAL STREET, SUITE 1100 BOSTON, MA 02110-1911	0 0 0 0

GRAND TOTALS

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 8

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
BOSTON CONFERENCE FOR COMMUNITY AND JUSTICE 5 BROAD STREET, SUITE 4 BOSTON, MA 02110	NONE PUBLIC CHARITY	2011 GRANT	2,000.
JUDGE BAKER CHILDREN'S CENTER 53 PARKER HILL AVE BOSTON, MA 02110	NONE PUBLIC CHARITY	2011 GRANT	2,500.
MUSEUM OF FINE ARTS BOSTON 465 HUNTINGTON AVENUE BOSTON, MA 02110	NONE PUBLIC CHARITY	2010 RENEWAL PATRON MEMBER	1,000.
MUSEUM OF FINE ARTS BOSTON 465 HUNTINGTON AVE BOSTON, MA 02110	NONE PUBLIC CHARITY	CAPITAL CAMPAIGN FUND 2011 GIFT	500.
CUTTYHUNK HISTORICAL SOCIETY 7007 SOUTH SHORE DRIVE ALTOONA, WI 54720	NONE PUBLIC CHARITY	2011 GRANT	1,000.
TRUSTEES OF TRINITY COLLEGE 300 SUMMIT STREET HARTFORD, CT 06106	NONE PUBLIC CHARITY	2011 GIFT	2,500.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 8 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
ENVIRONMENTAL DEFENSE FUND 1875 CONNECTICUT AVENUE WASHINGTON, DC 20009	NONE PUBLIC CHARITY	2011 GRANT	1,000.
NEWTON WELLESLEY HOSPITAL CHARITABLE FOUNDATION 2014 WASHINGTON STREET NEWTON, MA 02462	NONE PUBLIC CHARITY	2011 GRANT	2,500.
PLANNED PARENTHOOD LEAGUE OF MASSACHUSETTS 1055 COMMONWEALTH AVENUE BOSTON, MA 02215	NONE PUBLIC CHARITY	2011 GRANT	2,000.
WOODS HOLE OCEANOGRAPHIC INSTITUTE DEVELOPMENT OFFICE - FENNO HOUSE WOODS HOLE, MA 02543	NONE PUBLIC CHARITY	2011 GRANT	7,500.
PAN MASS CHALLENGE 77 FOURTH AVENUE NEEDHAM, MA 02494	NONE PUBLIC CHARITY	2011 GRANT	2,500.
THE APPRENTICES SHOP 643 MAIN STREET ROCKLAND, ME 04841	NONE PUBLIC CHARITY	2011 GRANT	5,000.

FORM 990EF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 8 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
SOUTHWEST FLORIDA RED CROSS 2001 CANTU COURT SARASOTA, FL 34232	NONE PUBLIC CHARITY	2011 GRANT	3,000.
BOSTON MEDICAL CENTER ONE BOSTON MEDICAL CENTER PLAZA BOSTON, MA 02118	NONE PUBLIC CHARITY	YEAR 2011 GIFT TO THE GOOD GRIEF PROGRAM	1,000.
PROTESTANT CHAPLAINCY COUNCIL NEWTON WELLESLEY HOS 2014 WASHINGTON STREET NEWTON, MA 02462	NONE PUBLIC CHARITY	2011 GIFT TO PROTESTANT CHAPLAINCY COUNCIL	1,000.
ST. JUDE'S CHILDREN'S RESEARCH HOSPITAL 313 WASHINGTON ST. #310 NEWTON, MA 02458	NONE PUBLIC CHARITY	2011 GRANT	1,500.
THE FRIENDS OF HOMEOPATHY 2001 W CAMELBACK ROAD, STE 150 PHOENIX, AZ 85015	NONE PUBLIC CHARITY	2011 GRANT	6,000.
MADISON COUNTY FOUNDATION FOR ENVIRONMENTAL ED. P.O. BOX 129 WINTERSET, IA 50273	NONE PUBLIC CHARITY	2011 GRANT	1,500.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 8 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
ST. JOSEPH CATHOLIC CHURCH 607 W GREEN STREET WINTERSET, IA 50273	NONE PUBLIC CHARITY	2011 GRANT	5,000.
WELLESLEY CONGREGATIONAL CHURCH 2 CENTRAL STREET WELLESLEY, MA 02482	NONE PUBLIC CHARITY	2011 GRANT	1,500.
WINTERSET COMMUNITY EDUCATIONAL FOUNDATION 224 W. HWY 92 WINTERSET, IA 50273	NONE PUBLIC CHARITY	2011 GRANT	5,000.
COMMUNITY FOUNDATION OF S. E. MASSACHUSETTS 63 UNION STREET NEW BEDFORD, MA 02740	NONE PUBLIC CHARITY	GOSNOLD COMMUNITY FUND 2011 GRANT	750.
MASSACHUSETTS AUDUBON SOCIETY 208 SOUTH GREAT ROAD LINCOLN, MA 01773	NONE PUBLIC CHARITY	2011 GRANT VISUAL ARTS CENTER	1,000.
WILDWOOD HILL INC 3000 ST CHARLES ROAD ST CHARLES, IA 50240	NONE PUBLIC CHARITY	2011 GRANT	1,500.
TOTAL CONTRIBUTIONS PAID			<u>58,750.</u>

Issue Type	Cusip	Asset	Shares	Price	Cost	Market Value	Inventory
Cash	Cash		0.00		0.07	\$0.07	0.00
Cash Equivalents					0.07	\$0.07	0.00
Money Market - T. . .	60934N849	Federated Government Obligations Tax-Managed Fund	37,873.140	1.0000	37,873.14	\$37,873.14	37,873.14
			37,873.140		37,873.14	\$37,873.14	37,873.14
Equity							
Stock - Common	002824100	Abbott Laboratories	350.000	56.2300	203.08	\$19,680.50	203.08
Stock - Common	008474108	Agnico Eagle Mines	400.000	36.3200	25,365.06	\$14,528.00	25,365.06
Stock - Common	00971T101	Akamai Technologies Inc	600.000	32.2800	14,287.64	\$19,368.00	14,287.64
Stock - Common	143130102	Carmax Incorporated	313.000	30.4800	6,335.09	\$9,540.24	6,335.09
Stock - Common	184496107	Clean Harbors Inc	300.000	63.7300	8,064.71	\$19,119.00	8,064.71
Stock - Common	194162103	Colgate Palmolive	400.000	92.3900	23,606.58	\$36,956.00	23,606.58
Stock - Common	235851102	Danaher Corporation	600.000	47.0400	5,835.00	\$28,224.00	5,835.00
Stock - Common	251893103	Devry Inc Del	400.000	38.4600	19,576.45	\$15,384.00	19,576.45
Stock - Common	263534109	Du Pont E I De Nemours	300.000	45.7800	13,596.01	\$13,734.00	13,596.01
Stock - Common	278865100	Ecolab Incorporated	658.000	57.8100	27,301.54	\$38,038.98	27,301.54
Stock - Common	30231G102	Exxon Mobil Corp	500.000	84.7600	28,760.00	\$42,380.00	28,760.00
Stock - Common	35906A108	Frontier Communications	3,000.000	5.1500	29,825.00	\$15,450.00	29,825.00
Stock - Common	369604103	General Electric Co	700.000	17.9100	19,428.43	\$12,537.00	19,428.43
Stock - Common	375558103	Gilead Sciences Inc	270.000	40.9300	12,581.97	\$11,051.10	12,581.97
Stock - Common	45168D104	Idexx Laboratories	200.000	76.9600	10,208.81	\$15,392.00	10,208.81
Stock - Common	458140100	Intel Corporation	1,350.000	24.2500	26,600.71	\$32,737.50	26,600.71
Stock - Common	478160104	Johnson & Johnson	300.000	65.5800	10,663.12	\$19,674.00	10,663.12
Stock - Common	579780206	McCormick & Co Non Vtg Shs	1,000.000	50.4200	32,454.02	\$50,420.00	32,454.02
Stock - Common	585055106	Medtronic Inc	800.000	38.2500	39,812.92	\$30,600.00	39,812.92
Stock - Common	594918104	Microsoft Corp	1,400.000	25.9600	40,551.84	\$36,344.00	40,551.84
Stock - Common	67020Y100	Nuance Communications Inc	750.000	25.1600	13,767.08	\$18,870.00	13,767.08
Stock - Common	713448108	Pepsico Incorporated	600.000	66.3500	20,875.75	\$39,810.00	20,875.75
Stock - Common	736508847	Portland General Electric Co	1,200.000	25.2900	32,709.92	\$30,348.00	32,709.92
Stock - Common	747525103	Qualcomm Inc	650.000	54.7000	24,299.54	\$35,555.00	24,299.54
Stock - Common	83421A104	Solera Holdings Inc	350.000	44.5400	12,904.50	\$15,589.00	12,904.50
Stock - Common	858912108	Stericycle Inc	150.000	77.9200	7,137.95	\$11,688.00	7,137.95

Holdings as of 12/31/2011 for 35020793 - The Verano Fund

Issue Type	Cusip	Asset	Shares	Price	Cost	Market Value	Inventory
Stock - Common	883556102	Thermo Fisher Scientific Inc	150 000	44.9700	8,268.26	\$6,745.50	8,268.26
Stock - Common	88579Y101	3M Company	180 000	81.7300	13,458.74	\$14,711.40	13,458.74
Stock - Common	92826C839	Visa Corporation	300 000	101.5300	21,263.53	\$30,459.00	21,263.53
Stock - Common	931422109	Walgreen Company	900.000	33.0600	25,985.25	\$29,754.00	25,985.25
Stock - Common	942622200	Watsco Inc	250 000	65.6600	15,992.97	\$16,415.00	15,992.97
Stock - Common	H0023R105	Ace Limited	400 000	70.1200	21,132.00	\$28,048.00	21,132.00
Stock - Common	N22717107	Core Laboratories	300.000	113.9500	3,976.47	\$34,185.00	3,976.47
Stock - REIT	40414L109	HCP Incorporated	450.000	41.4300	10,470.89	\$18,643.50	10,470.89
Fixed Income			20,471.000		627,300.83	\$811,979.72	627,300.83
Corporate Bond	00206RAQ5	AT&T Inc 4.85% 02/15/14	25,000 000	108.0520	25,189.21	\$27,013.00	25,189.21
Corporate Bond	030981AG9	Amerigas Partners Callable 08/20/15 @ 103 13 6.25% 08/20/19	25,000.000	99.5000	24,895.00	\$24,875.00	24,895.00
Corporate Bond	084670AX6	Berkshire Hathaway Floating Rate Note 02/10/12	30,000.000	99.8420	30,003.47	\$29,952.60	30,003.47
Corporate Bond	345397VP5	Ford Motor Credit Co 6.625% 08/15/17	25,000.000	109.1540	24,862.51	\$27,288.50	24,862.51
Corporate Bond	34540TAE2	Ford Motor Credit Co. LLC 3.00%	25,000 000	99.8140	25,000.04	\$24,953.50	25,000.04
Corporate Bond	638585AN9	Nationsbank Corp 7.75% 08/15/15	50,000.000	102.1930	48,614.46	\$51,096.50	48,614.46
Mutual Funds - Fi.	921937835	Vanguard Bond Index ETF	200.000	83.5400	15,825.70	\$16,708.00	15,825.70
International			180,200.000		194,390.39	\$201,887.10	194,390.39
Mutual Funds (ET	464286657	Ishares MSCI BRIC Index Fund	400 000	36.2700	19,369.24	\$14,508.00	19,369.24
Mutual Funds (ET	97717W778	Wisdomtree Intl Midcap Div Fund	800 000	43.0500	48,624.00	\$34,440.00	48,624.00
Mutual Funds - Int.	31428U631	Federated Intl Small-Mid Cos Fund	661.623	32.0100	24,641.99	\$21,178.55	24,641.99
Mutual Funds - Int.	411511306	Harbor International Fund	693 707	52.4500	20,943.00	\$36,384.93	20,943.00
Mutual Funds - Int...	412295305	Harding Loevner Emerging Markets Fund	655 299	42.3700	25,000.00	\$27,765.02	25,000.00
Mutual Funds - Int.	81063U503	UMB Scout International Fund	2,471.413	27.9700	67,000.00	\$69,125.42	67,000.00
			5,682.042		205,578.23	\$203,401.92	205,578.23

Holdings as of 12/31/2011 for 35020793 - The Verano Fund

Issue Type	Cusip	Asset	Shares	Price	Cost	Market Value	Inventory
Other							
Commodities	153501101	Central Fund Canada	2,000,000	19.6100	35,281.57	\$39,220.00	35,281.57
			<u>2,000,000</u>		<u>35,281.57</u>	<u>\$39,220.00</u>	<u>35,281.57</u>
			246,226.182		1,100,424.23	\$1,294,361.95	1,100,424.16

**SCHEDULE D
(Form 1041)**

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

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

OMB No 1545-0092

2011

Name of estate or trust

THE VERANO FUND

Employer identification number

31-1689508

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

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

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

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	-3,122.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2010 Capital Loss Carryover Worksheet	4	()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back	5	-3,122.

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

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

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	32,939.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9 Capital gain distributions	9	157.
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2010 Capital Loss Carryover Worksheet	11	()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f) Enter here and on line 14a, column (3) on the back	12	33,096.

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

Schedule D (Form 1041) 2011

Part III Summary of Parts I and II		(1) Beneficiaries' (see instr)	(2) Estate's or trust's	(3) Total
Caution: Read the instructions before completing this part.				
13	Net short-term gain or (loss)			-3,122.
14	Net long-term gain or (loss):			
a	Total for year	14a		33,096.
b	Unrecaptured section 1250 gain (see line 18 of the wrksht)	14b		
c	28% rate gain	14c		
15	Total net gain or (loss). Combine lines 13 and 14a	15		29,974.

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

Part IV Capital Loss Limitation

16	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of a The loss on line 15, column (3) or b \$3,000	16	()
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Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** in the instructions to figure your capital loss carryover

Part V Tax Computation Using Maximum Capital Gains Rates

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

Caution: Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if:

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

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

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17	
18	Enter the smaller of line 14a or 15 in column (2) but not less than zero	18	
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19	
20	Add lines 18 and 19	20	
21	If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0-	21	
22	Subtract line 21 from line 20 If zero or less, enter -0-	22	
23	Subtract line 22 from line 17. If zero or less, enter -0-	23	
24	Enter the smaller of the amount on line 17 or \$2,300	24	
25	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 and 26, go to line 27 and check the "No" box <input type="checkbox"/> No. Enter the amount from line 23.	25	
26	Subtract line 25 from line 24.	26	
27	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31 <input type="checkbox"/> No. Enter the smaller of line 17 or line 22	27	
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)	28	
29	Subtract line 28 from line 27	29	
30	Multiply line 29 by 15% (.15)	30	
31	Figure the tax on the amount on line 23 Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041).	31	
32	Add lines 30 and 31	32	
33	Figure the tax on the amount on line 17. Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041).	33	
34	Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36).	34	

