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Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

OMB No 1545-0052

2012

Open to Public Inspection

For calendar year 2012, or tax year beginning 01-01-2012 , and ending 12-31-2012

Name of foundation
Mark and Jessie Milano Foundation

A Employer identification number
20-8004580

Number and street (or P O box number if mail is not delivered to street address) Room/suite
Foundation Source 501 Silverside Rd

B Telephone number (see instructions)
(800) 839-1754

City or town, state, and ZIP code
Wilmington, DE 198091377

C If exemption application is pending, check here ☐

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

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

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

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

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 5,104,319

J Accounting method ☑ Cash ☐ Accrual
☐ 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 ☐

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))*

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ ☑ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	129,374	126,621		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	211,556			
	b	Gross sales price for all assets on line 6a 3,269,520				
	7	Capital gain net income (from Part IV, line 2)		211,556		
	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	340,930	338,177		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc				
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)				
	c	Other professional fees (attach schedule)	41,382	41,382		
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	2,583	329		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	26,136	38		26,098
	24	**Total operating and administrative expenses.** Add lines 13 through 23	70,101	41,749		26,098
	25	Contributions, gifts, grants paid	217,500			217,500
	26	**Total expenses and disbursements.** Add lines 24 and 25	287,601	41,749		243,598
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	53,329			
	b	**Net investment income** (if negative, enter -0-)		296,428		
	c	**Adjusted net income** (if negative, enter -0-)				

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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets				
1	Cash—non-interest-bearing			
2	Savings and temporary cash investments	31,872	23,560	23,560
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)	951,717	853,692	892,936
b	Investments—corporate stock (attach schedule)	2,706,403	2,693,102	3,151,365
c	Investments—corporate bonds (attach schedule)	809,921	982,888	1,036,458
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)	4,499,913	4,553,242	5,104,319
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	
Net Assets or Fund Balances				
	Foundations that follow SFAS 117, check here ▶ ☐ **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.**			
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	4,499,913	4,553,242	
30	**Total net assets or fund balances** (see page 17 of the instructions)	4,499,913	4,553,242	
31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	4,499,913	4,553,242	

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	4,499,913
2	Enter amount from Part I, line 27a	2	53,329
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	4,553,242
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	4,553,242

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)
1 a	Publicly-traded Securities			
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	3,269,520		3,057,964	211,556
b				
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a				211,556
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	211,556
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	

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))
2011	182,224	4,974,891	000 036629
2010	127,462	4,644,511	000 027444
2009	306,061	4,157,136	000 073623
2008	292,887	4,892,251	000 059868
2007	54,500	5,524,255	000 009866

2	**Total** of line 1, column (d).	2	000 207430
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	000 041486
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5.	4	5,070,201
5	Multiply line 4 by line 3.	5	210,342
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	2,964
7	Add lines 5 and 6.	7	213,306
8	Enter qualifying distributions from Part XII, line 4.	8	243,598

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

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1				
	Date of ruling or determination letter ________ **(attach copy of letter if necessary–see instructions)**				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☑ and enter 1% of Part I, line 27b			1	2,964
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	
3	Add lines 1 and 2			3	2,964
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			4	
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-			5	2,964
6	Credits/Payments				
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a	4,395		
b	Exempt foreign organizations—tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c			
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	4,395
8	Enter any **penalty** for underpayment of estimated tax Check here ☑ if Form 2220 is attached			8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	1,431
11	Enter the amount of line 10 to be **Credited to 2013 estimated tax** ▶ 1,431	**Refunded** ▶		11	

Part VII-A Statements Regarding Activities

			Yes	No
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		No
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)?	1b		No
	If the answer is "Yes" to ***1a*** *or* ***1b,*** *attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		No
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? *If "Yes," attach a detailed description of the activities.*	2		No
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		No
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see 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 General Instruction G? *If "No," attach explanation*	8b	Yes	
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 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		No

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).	11		No
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)	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶

14 The books are in care of ▶co Foundation Source Telephone no ▶(800) 839-1754

Located at ▶501 Silverside Road Suite 123 Wilmington DE ZIP+4 ▶198091377

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 2012, 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?	16		No

See 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?	☐ Yes ☑ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☑ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☑ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☑ 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 ☑ 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 ☑ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?		1b		
	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 2012?		1c		No
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 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012?	☐ Yes ☑ No			
	If "Yes," list the years ▶ 20____ , 20____ , 20____ , 20____				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see instructions).		2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20____ , 20____ , 20____ , 20____				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☑ No			
b	If "Yes," did it have excess business holdings in 2012 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 2012.).*		3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		No
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 2012?		4b		No

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

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☑ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?	**5b**		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No			
	If "Yes," attach the statement required by Regulations section 53.4945–5(d).			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☐ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	**6b**		No
	If "Yes" to 6b, file Form 8870.			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☑ No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	**7b**		

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
Jessie Milano Foundation Source 501 Silverside Rd Wilmington, DE 19809	VP / Dir 001 00	0		
Mark R Milano Foundation Source 501 Silverside Rd Wilmington, DE 19809	Pres / Dir / Sec 003 00	0		

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

(a) Name and address of each employee paid more than $50,000	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances

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
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	
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	
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 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	5,087,368
b	Average of monthly cash balances	1b	60,044
c	Fair market value of all other assets (see instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	5,147,412
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	5,147,412
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	77,211
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	5,070,201
6	**Minimum investment return.** Enter 5% of line 5	6	253,510

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	253,510
2a	Tax on investment income for 2012 from Part VI, line 5	2a	2,964		
b	Income tax for 2012 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	2,964
3	Distributable amount before adjustments Subtract line 2c from line 1			3	250,546
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	250,546
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	250,546

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	243,598
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	243,598
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	2,964
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	240,634

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 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				250,546
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only.			242,966	
b Total for prior years 20___ , 20___ , 20___				
3 Excess distributions carryover, if any, to 2012				
a From 2007.				
b From 2008.				
c From 2009.				
d From 2010.				
e From 2011.				
f Total of lines 3a through e.				
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ $ 243,598				
a Applied to 2011, but not more than line 2a			242,966	
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 2012 distributable amount.				632
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2012 *(If an amount appears in column (d), the same amount must be shown in column (a).)*				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.				
d Subtract line 6c from line 6b Taxable amount —see instructions				
e Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount—see instructions				
f Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				249,914
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 2007 not applied on line 5 or line 7 (see instructions) . . .				
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2008. . . .				
b Excess from 2009. . . .				
c Excess from 2010. . . .				
d Excess from 2011. . . .				
e Excess from 2012. . . .				

Part XIV **Private Operating Foundations** (see 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 2012, enter the date of the ruling. . . . . . . ▶

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

	Tax year	Prior 3 years			(e) Total
	(a) 2012	**(b)** 2011	**(c)** 2010	**(d)** 2009	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon **a** "Assets" alternative test—enter **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2))

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% greater interest

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 *Paid during the year*				
See Additional Data Table				
Total . . . . ▶ **3a**				217,500
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See 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. . . .			14	129,374	
5 Net rental income or (loss) from real estate					
a Debt-financed property.					
b Not debt-financed property.					
6 Net rental income or (loss) from personal property					
7 Other investment income.					
8 Gain or (loss) from sales of assets other than inventory			18	211,556	
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). .				340,930	

13 **Total.** Add line 12, columns (b), (d), and (e). 13 340,930

(See worksheet in line 13 instructions 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 instructions)

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

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

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

(a) Line No	**(b)** Amount involved	**(c)** Name of noncharitable exempt organization	**(d)** Description of transfers, transactions, and sharing arrangements

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

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

******	2013-08-13	******
Signature of officer or trustee	Date	Title

May the IRS discuss this return with the preparer shown below (see instr)? ☑ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ☐	PTIN
Jeffrey D Haskell	Jeffrey D Haskell	2013-08-13		
Firm's name ▶	Foundation Source		Firm's EIN ▶	
Firm's address ▶	One Hollow Lane Suite 212 Lake Success, NY 11042		Phone no (800) 839-1754	

Form 990PF Part XV Line 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 *Paid during the year*				
1-A DISTRICT AGRICULTURAL ASSOCIATION 2600 GENEVA AVE DALY CITY, CA 94014	N/A	509a1	Grand National Foundation	4,000
34TH DISTRICT AGRICULTURAL ASSOCIATION PO BOX 26 CEDARVILLE, CA 96104	N/A	509a1	Modoc Fair	2,000
34TH DISTRICT AGRICULTURAL ASSOCIATION PO BOX 26 CEDARVILLE, CA 96104	N/A	509a1	San Diego Fair	50,000
ANGUS FOUNDATION 3201 FREDERICK AVE SAINT JOSEPH, MO 64506	N/A	509a1	Annual Fund	10,000
BOY SCOUTS OF AMERICA 820 17TH AVE S GREAT FALLS, MT 59405	N/A	509a1	General Unrestricted	2,500
CALIENTE EDUCATION FOUNDATION 302 COLUMBUS ST BAKERSFIELD, CA 93305	N/A	509a2	General Unrestricted	500
CENTRAL MODOC RIVER CENTER 600 S MAIN ST ALTURAS, CA 96101	N/A	509a1	General Unrestricted	7,500
COMM FOUNDATIONS OF THE HUDSON VALLEY 80 WASHINGTON ST STE 201 POUGHKEEPSIE, NY 12601	N/A	509a1	Mark Milano Scholarship Fund	10,000
TEHACHAPI HERITAGE LEAGUE PO BOX 54 TEHACHAPI, CA 93581	N/A	509a1	General Unrestricted	17,500
TEHACHAPI MOUNTAIN FOUNDATION PO BOX 665 TEHACHAPI, CA 93581	N/A	509a1	General Unrestricted	18,000
TEHACHAPI MOUNTAIN RODEO ASSOCIATION PO BOX 63 TEHACHAPI, CA 93581	N/A	509a1	General Unrestricted	8,500
THE CALIFORNIA 4-H FOUNDATION PO BOX 73673 DAVIS, CA 95617	N/A	509a1	Support of the Modoc 4H Leaders Council Awards	5,000
THE CALIFORNIA 4-H FOUNDATION PO BOX 73673 DAVIS, CA 95617	N/A	509a1	Scholarship Fund	75,000
THOMAS MIDNIGHT PEWITT MEMORIAL RANCH RODEO CHARITY PO BOX 416 GLENVILLE, CA 93226	N/A	509a2	General Unrestricted	5,000
TRUSTEES OF UNION COLLEGE 807 UNION ST SCHENECTADY, NY 12308	N/A	509a1	Annual Fund	2,000
Total . . . . ▶ **3a**				217,500

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2012 Gain/Loss from Sale of Other Assets Schedule

Name: Mark and Jessie Milano Foundation

EIN: 20-8004580

Software ID: 12000057

Software Version: 12.15.422.1

Name	Date Acquired	How Acquired	Date Sold	Purchaser Name	Gross Sales Price	Basis	Basis Method	Sales Expenses	Total (net)	Accumulated Depreciation
Publicly-traded Securities					3,269,520	3,057,964			211,556	

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TY 2012 General Explanation Attachment

Name:	Mark and Jessie Milano Foundation
EIN:	20-8004580
Software ID:	12000057
Software Version:	12.15.422.1

TY 2012 Investments Corporate Bonds Schedule

Name: Mark and Jessie Milano Foundation
EIN: 20-8004580
Software ID: 12000057
Software Version: 12.15.422.1

Name of Bond	End of Year Book Value	End of Year Fair Market Value
AMERICAN EXPRESS CR CORP - 2.800 - 09/19/2016	35,464	37,032
ANHEUSER BUSCH INBEV WWIDE - 5.375 - 11/15/2014	16,461	16,283
ATT INC NOTE - 2.400 - 08/15/2016	34,475	36,504
BARCLAYS BK 4.5 3/10/17	39,885	41,600
CBS CORP NOTES CR SENS - 8.875 - 05/15/2019	19,928	20,231
CISCO SYSTEMS INC - 5.000 - 02/22/2016	37,793	40,007
CITIGROUP INC NOTE 5.850 08/02/2016	40,087	37,910
CME GROUP INC - 3.00 - 09/15/2022	54,910	55,805
COUNTRYWIDE FINANCIAL CORP - 6.250 - 05/15/2016	18,984	21,954
CREDIT SUISSE USA - 5.125 - 08/15/2015	38,338	38,843
DAIMLERCHRYSLER N. AMER - 6.500 - 11/15/2013	42,266	41,990
DELL INC NT 5.87500 06/15/2019	34,397	34,594
DEUTSCHE BANK-3.250-01/11/2016	35,817	37,037
DOW CHEMICAL CO THE NOTE - 4.250 - 11/15/2020	19,675	22,234
FORD MOTOR CREDIT CO-3.00-06/12/2017	24,991	25,686
GE CAP CORP MTN BE 2.150 01/09/2015 FR	54,943	56,493
GOLDMAN SACHS - 5.625 - 01/15/2017	44,574	49,373
HEWLETT-PACKARD CO GLBL NT 04.75000 06/02/2014	36,413	36,484
HSBC FINANCE CORP NT 5.500 01/19/2016	38,098	39,111
JEFFERIES GROUP INC 8.5 07/15/2019	16,339	17,925
JP MORGAN CHASE NOTE 6.000 10/01/2017	37,859	41,434
KIMCO REALTY CORP NOTE 06.87500 10/01/2019	15,974	18,528
METLIFE INC NOTES 07.71700 02/15/2019	31,583	39,330
MORGAN STANLEY NOTES 05.50000 01/26/2020	33,961	39,263
ONTARIO PROVINCE OF BOND - 1.600 - 09/21/2016	54,934	56,750
SYMANTEC CORP - 2.750 - 09/19/2010	19,412	20,685
TARGET 6 1/15/2018	35,527	36,888
VERIZON COMMUNICATIONS - 5.550 - 02/15/2016	44,600	51,243
WACHOVIA BK NATL ASSN MTN SUB 4.800 11/01/2014	25,200	25,241

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TY 2012 Investments Corporate Stock Schedule

Name: Mark and Jessie Milano Foundation
EIN: 20-8004580
Software ID: 12000057
Software Version: 12.15.422.1

Name of Stock	End of Year Book Value	End of Year Fair Market Value
660 shares of AMERICAN EXPRESS CO	38,604	37,937
360 shares of APACHE CORPORATION	33,322	28,260
240 shares of APPLE INC.	77,885	127,722
1055 shares of ARCHER DANIELS MDLND	32,505	28,896
855 shares of ATT CORP COM	26,039	28,822
995 shares of BALL CP	39,064	44,526
635 shares of BAXTER INTERNATIONAL INC.	32,479	42,329
505 shares of BOEING CO	34,270	38,057
1110 shares of CELGENE CORP	70,181	87,102
345 shares of CHEVRON CORP	39,147	37,308
1025 shares of CIT GROUP INC	40,474	39,606
1380 shares of CITIGROUP INC	45,513	54,593
1165 shares of COMCAST CORP CL A	29,863	43,524
1275 shares of CONAGRA FOODS INC	35,579	37,613
405 shares of COSTCO WHOLESALE CORP	25,478	39,986
355 shares of CUMMINS INC	36,280	38,464
1285 shares of CVS CAREMARK CORP.	47,793	62,130
795 shares of DANAHER CORP	45,027	44,441
2535 shares of DEAN FOODS CO	31,186	41,853
365 shares of DIAGEO PLC ADS	35,193	42,552
785 shares of DIRECTV GROUP	36,023	39,376
5721 shares of EATON VANCE FLOATING RATE FUND INSTI SHARE	52,000	52,172
965 shares of EDISION INTL	33,337	43,608
1895 shares of EMC CORP-MASS	37,081	47,944
600 shares of EXPRESS SCRIPTS HOLDING CO.	33,860	32,400
865 shares of EXXON MOBIL CORP	61,193	74,866
1025 shares of GILEAD SCIENCES INC	39,858	75,286
80 shares of GOOGLE INC CL A	42,166	56,590
795 shares of HALLIBURTON COMPANY	26,697	27,579
700 shares of HOME DEPOT INC.	27,287	43,295

Name of Stock	End of Year Book Value	End of Year Fair Market Value
8582 shares of ING GLOBAL REAL ESTATE FUND CLASS I	136,962	154,912
155 shares of INTERNATIONAL BUSINESS MACHINES	16,960	29,690
2835 shares of ISHARES GOLD TRUST	44,067	46,154
6056 shares of IVY HIGH INCOME FUND CLASS I	51,621	51,716
1095 shares of JOHNSON CONTROLS INC.	34,378	33,584
575 shares of JONES LANG LASALLE	39,727	48,266
7774 shares of LAZARD EMERGING MARKETS EQUITY INSTL	154,928	151,895
100 shares of MASTERCARD INC	42,173	49,128
6941 shares of MATTHEWS PACIFIC TIGER FUND	135,714	169,501
1390 shares of MICROSOFT CORPORATION	37,642	37,126
1660 shares of MYLAN INC.	36,701	45,567
475 shares of NATL OILWELL VARCO	24,424	32,466
1620 shares of NUANCE COMMUNICATIONS, INC.	33,426	36,158
9498 shares of PIMCO COMMODITY REAL RETURN STRATEGY FUND	61,514	63,064
2060 shares of PNM RESOURCES INC	30,120	42,251
825 shares of POTASH CORPORATION OF SASKATCHEWAN INC	26,938	33,569
1025 shares of PRUDENTIAL FINCL INC	54,008	54,663
1025 shares of QUALCOMM INC	55,190	63,406
1285 shares of QUANTA SVCS INC.	34,961	35,068
640 shares of SCHLUMBERGER LTD	55,334	44,351
595 shares of STARBUCKS CORP COM	9,572	31,910
935 shares of STATE STREET CORPORATION	39,100	43,954
1840 shares of TAIWAN SEMICONDUCTOR MFG CO LTD	29,951	31,574
635 shares of TARGET CORPORATION	29,572	37,573
1400 shares of TEXTRON INC.	37,883	34,706
385 shares of UNION PACIFIC	40,069	48,402
650 shares of UNITEDHEALTH GROUP INC.	36,001	35,256
1535 shares of VANGUARD SM-CAP ETF	90,857	124,182
985 shares of VERIZON COMMUNICATIONS	32,001	42,621
1750 shares of WELLS FARGO CO.	55,924	59,815

TY 2012 Investments Government Obligations Schedule

Name: Mark and Jessie Milano Foundation

EIN: 20-8004580

Software ID: 12000057

Software Version: 12.15.422.1

US Government Securities - End of Year Book Value:	813,257
US Government Securities - End of Year Fair Market Value:	845,274
State & Local Government Securities - End of Year Book Value:	40,435
State & Local Government Securities - End of Year Fair Market Value:	47,662

TY 2012 Other Expenses Schedule

Name: Mark and Jessie Milano Foundation

EIN: 20-8004580

Software ID: 12000057

Software Version: 12.15.422.1

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Administrative Fees	25,073			25,073
Bank Charges	38	38		
State or Local Filing Fees	1,025			1,025

TY 2012 Other Professional Fees Schedule

Name: Mark and Jessie Milano Foundation
EIN: 20-8004580
Software ID: 12000057
Software Version: 12.15.422.1

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Investment Management Services	41,382	41,382		

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TY 2012 Taxes Schedule

Name: Mark and Jessie Milano Foundation

EIN: 20-8004580

Software ID: 12000057

Software Version: 12.15.422.1

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Estimated Tax for 2012	2,200			
Foreign Tax Paid	329	329		
IRS Miscellaneous Fee	54			