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Form 990-PF

## Return of Private Foundation

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

2012

Open to Public  
Inspection

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

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

Name of foundation The Margetts Foundation		A Employer identification number 22-6041532			
Number and street (or P O box number if mail is not delivered to street address) PO Box 287		B Telephone number (see instructions)			
City or town, state, and ZIP code Newport, PA 17074		C If exemption application is pending, check here <input checked="" type="checkbox"/>			
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input checked="" type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input checked="" type="checkbox"/>			
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		E If private foundation status was terminated under section 507(b)(1)(A), check here <input checked="" type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input checked="" type="checkbox"/>			
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) <b>\$ 515,618</b>		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.)			
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)
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		8	8		
4 Dividends and interest from securities. . . . .		15,932	15,932		
5a Gross rents . . . . .					
b Net rental income or (loss) _____					
6a Net gain or (loss) from sale of assets not on line 10		29,971			
b Gross sales price for all assets on line 6a <u>44,989</u>					
7 Capital gain net income (from Part IV, line 2) . . .			29,971		
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 . . . . .		45,911	45,911		
Revenue					
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) . . . . .		1,985	992		993
c Other professional fees (attach schedule) . . . . .					
17 Interest . . . . .					
18 Taxes (attach schedule) (see instructions)		232			
19 Depreciation (attach schedule) and depletion . . .					
20 Occupancy . . . . .					
21 Travel, conferences, and meetings . . . . .					
22 Printing and publications . . . . .					
23 Other expenses (attach schedule) . . . . .		105	105		
24 Total operating and administrative expenses.					
Add lines 13 through 23 . . . . .		2,322	1,097		993
25 Contributions, gifts, grants paid. . . . .		45,275			45,275
26 Total expenses and disbursements. Add lines 24 and 25		47,597	1,097		46,268
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements		-1,686			
b Net investment income (if negative, enter -0-)			44,814		
c Adjusted net income (if negative, enter -0-)					

<b>Part II Balance Sheets</b>		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
<b>Assets</b>				
1	Cash—non-interest-bearing . . . . .			
2	Savings and temporary cash investments . . . . .	5,690	19,021	9,054
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)			
b	Investments—corporate stock (attach schedule) . . . . .	130,030	115,013	506,564
c	Investments—corporate bonds (attach schedule) . . . . .			
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	<b>Total assets</b> (to be completed by all filers—see the instructions Also, see page 1, item I)	135,720	134,034	515,618
<b>Liabilities</b>				
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	<b>Total liabilities</b> (add lines 17 through 22) . . . . .			0
<b>Net Assets or Fund Balances</b>				
	<b>Foundations that follow SFAS 117, check here ►</b> <input type="checkbox"/>			
	<b>and complete lines 24 through 26 and lines 30 and 31.</b>			
24	Unrestricted . . . . .			
25	Temporarily restricted . . . . .			
26	Permanently restricted . . . . .			
	<b>Foundations that do not follow SFAS 117, check here ►</b> <input checked="" type="checkbox"/>			
	<b>and complete lines 27 through 31.</b>			
27	Capital stock, trust principal, or current funds . . . . .	135,720	134,034	
28	Paid-in or capital surplus, or land, bldg , and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds			
30	<b>Total net assets or fund balances</b> (see page 17 of the instructions) . . . . .	135,720	134,034	
31	<b>Total liabilities and net assets/fund balances</b> (see page 17 of the instructions) . . . . .	135,720	134,034	

**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	135,720
2	Enter amount from Part I, line 27a . . . . .	2	-1,686
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3 . . . . .	4	134,034
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	134,034

**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)
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1a See Additional Data Table

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)
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a See Additional Data Table

b

c

d

e

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
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a See Additional Data Table

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	29,971
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

 Yes  No

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

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2011	64,588	501,742	000 128728
2010	45,450	498,223	000 091224
2009	41,792	469,240	000 089063
2008	43,338	521,961	000 083029
2007	35,418	623,323	000 056821

2 Total of line 1, column (d).

2 000 448865

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 089773

4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5.

4 517,923

5 Multiply line 4 by line 3.

5 46,496

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

6 448

7 Add lines 5 and 6.

7 46,944

8 Enter qualifying distributions from Part XII, line 4.

8 46,268

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 <input type="checkbox"/> and enter "N/A" on line 1	1	896
Date of ruling or determination letter _____ <b>(attach copy of letter if necessary—see instructions)</b>			
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	896
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	<b>Tax based on investment income.</b> Subtract line 4 from line 3 If zero or less, enter -0- . . . . .		
6	<b>Credits/Payments</b>	6a 6b 6c 6d	370
a	2012 estimated tax payments and 2011 overpayment credited to 2012		
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	370
8	Enter any <b>penalty</b> for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached		
9	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b> . . . . .		
10	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b> . . . . .		
11	Enter the amount of line 10 to be <b>Credited to 2013 estimated tax</b> <input type="checkbox"/> <b>Refunded</b> <input type="checkbox"/>	11	526

**Part VII-A Statements Regarding Activities**

		<b>Yes</b>	<b>No</b>
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)? . . . . .		
<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 <b>Form 1120-POL</b> for this year? . . . . .	1c	No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year <b>(1)</b> On the foundation <input type="checkbox"/> \$ _____ <b>(2)</b> On foundation managers <input type="checkbox"/> \$ _____		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____	2	No
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>		
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> . . . . .	3	No
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 <b>Form 990-T</b> for this year? . . . . .	4a 4b	No
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? . . . . .	6	Yes
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>		
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> NJ	7	Yes
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? <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 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>	9	No
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		No
12		No
13	Yes	

Website address ► N/A

14	The books are in care of ► W Thomas Margetts	Telephone no ► (973) 879-5343
	Located at ► PO Box 846 Boca Grande FL	ZIP +4 ► 33921

15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of <b>Form 1041</b> —Check here . . . . . ►	15
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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
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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 <input checked="" type="checkbox"/> No		
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ► Yes <input checked="" type="checkbox"/> No		
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ► Yes <input checked="" type="checkbox"/> No		
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ► Yes <input checked="" type="checkbox"/> No		
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ► Yes <input checked="" type="checkbox"/> No		
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ► Yes <input checked="" type="checkbox"/> No		
1b	If any answer is "Yes" to 1a(1)–(6), did <b>any</b> 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)? . . . . . 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 2012? . . . . .		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 <input checked="" type="checkbox"/> No If "Yes," list the years ► 20____, 20____, 20____, 20____		
b	Are there any years listed in 2a for which the foundation is <b>not</b> 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 <b>all</b> years listed, answer "No" and attach statement—see instructions) . . . . .		
c	If the provisions of section 4942(a)(2) are being applied to <b>any</b> 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 <input checked="" type="checkbox"/> 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). . . . .		
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 2012? . . . . .		No
4b			No

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

<b>5a</b>	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 checked="" type="checkbox"/> No
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? . . . . .	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions). . . . .	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? . . . . .	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>b</b>	If any answer is "Yes" to 5a(1)–(5), did <b>any</b> 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)? . . . . .	
	Organizations relying on a current notice regarding disaster assistance check here. . . . . <input type="checkbox"/>	
<b>c</b>	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>	
<b>6a</b>	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
<b>b</b>	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .	
	<i>If "Yes" to 6b, file Form 8870.</i>	
<b>7a</b>	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>b</b>	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? . . . . .	

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

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

<b>I List all officers, directors, trustees, foundation managers and their compensation (see instructions).</b>				
<b>(a) Name and address</b>	<b>(b) Title, and average hours per week devoted to position</b>	<b>(c) Compensation (If not paid, enter -0-)</b>	<b>(d) Contributions to employee benefit plans and deferred compensation</b>	<b>(e) Expense account other allowances</b>
W Thomas Margetts PO Box 846 Boca Grande, FL 33921	President 005 00	0		
Donna D Margetts PO Box 846 Boca Grande, FL 33921	Trustee 005 00	0		

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

**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"**

## **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.

1 Not Applicable	
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.

1	
2	
All other program-related investments See page 24 of the instructions	
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 508,519
b	Average of monthly cash balances. . . . .	1b 17,291
c	Fair market value of all other assets (see instructions). . . . .	1c 0
d	<b>Total</b> (add lines 1a, b, and c). . . . .	1d 525,810
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. . . . .	3 525,810
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions) <input checked="" type="checkbox"/> . . . . .	4 7,887
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3 Enter here and on Part V, line 4	5 517,923
6	<b>Minimum investment return.</b> Enter 5% of line 5. . . . .	6 25,896

**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 25,896
2a	Tax on investment income for 2012 from Part VI, line 5. . . . .	2a 896
b	Income tax for 2012 (This does not include the tax from Part VI ). . . . .	2b
c	Add lines 2a and 2b. . . . .	2c 896
3	Distributable amount before adjustments Subtract line 2c from line 1. . . . .	3 25,000
4	Recoveries of amounts treated as qualifying distributions. . . . .	4
5	Add lines 3 and 4. . . . .	5 25,000
6	Deduction from distributable amount (see instructions). . . . .	6
7	<b>Distributable amount</b> as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1. . . . .	7 25,000

**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 <input checked="" type="checkbox"/> . . . . .	1a 46,268
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	<b>Qualifying distributions.</b> Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4 46,268
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions). . . . .	5
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4. . . . .	6 46,268

**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
<b>1</b> Distributable amount for 2012 from Part XI, line 7				25,000
<b>2</b> Undistributed income, if any, as of the end of 2012				
<b>a</b> Enter amount for 2011 only. . . . .				
<b>b</b> Total for prior years 20____, 20____, 20____				
<b>3</b> Excess distributions carryover, if any, to 2012				
<b>a</b> From 2007. . . . .				
<b>b</b> From 2008. . . . .	396			
<b>c</b> From 2009. . . . .	19,692			
<b>d</b> From 2010. . . . .	20,941			
<b>e</b> From 2011. . . . .	40,223			
<b>f</b> <b>Total</b> of lines 3a through e. . . . .		81,252		
<b>4</b> Qualifying distributions for 2012 from Part XII, line 4 ► \$ _____ 46,268				
<b>a</b> Applied to 2011, but not more than line 2a				
<b>b</b> Applied to undistributed income of prior years (Election required—see instructions). . . . .				
<b>c</b> Treated as distributions out of corpus (Election required—see instructions). . . . .				
<b>d</b> Applied to 2012 distributable amount. . . . .				25,000
<b>e</b> Remaining amount distributed out of corpus		21,268		
<b>5</b> Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)				
<b>6</b> <b>Enter the net total of each column as indicated below:</b>				
<b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5		102,520		
<b>b</b> Prior years' undistributed income Subtract line 4b from line 2b . . . . .				
<b>c</b> 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. . . . .				
<b>d</b> Subtract line 6c from line 6b Taxable amount—see instructions . . . . .				
<b>e</b> Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount—see instructions . . . . .				
<b>f</b> Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013 . . . . .				0
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions) . . . . .				
<b>8</b> Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions) . . . . .				
<b>9</b> <b>Excess distributions carryover to 2013.</b> Subtract lines 7 and 8 from line 6a . . . . .		102,520		
<b>10</b> Analysis of line 9				
<b>a</b> Excess from 2008. . . . .	396			
<b>b</b> Excess from 2009. . . . .	19,692			
<b>c</b> Excess from 2010. . . . .	20,941			
<b>d</b> Excess from 2011. . . . .	40,223			
<b>e</b> Excess from 2012. . . . .	21,268			

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

	Tax year				(e) Total
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	
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 <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 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) )
- 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

## **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	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)				
<b>a Paid during the year</b> See Additional Data Table				
<b>Total</b> . . . . .			► 3a	45,275
<b>b Approved for future payment</b>				
<b>Total</b> . . . . .			► 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 instructions )
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
<b>1</b>	Program service revenue					
<b>a</b>						
<b>b</b>						
<b>c</b>						
<b>d</b>						
<b>e</b>						
<b>f</b>						
<b>g</b>	Fees and contracts from government agencies					
<b>2</b>	Membership dues and assessments					
<b>3</b>	Interest on savings and temporary cash investments			14	8	
<b>4</b>	Dividends and interest from securities			14	15,932	
<b>5</b>	Net rental income or (loss) from real estate					
<b>a</b>	Debt-financed property					
<b>b</b>	Not debt-financed property					
<b>6</b>	Net rental income or (loss) from personal property					
<b>7</b>	Other investment income					
<b>8</b>	Gain or (loss) from sales of assets other than inventory			18	29,971	
<b>9</b>	Net income or (loss) from special events					
<b>10</b>	Gross profit or (loss) from sales of inventory					
<b>11</b>	Other revenue <b>a</b>					
<b>b</b>						
<b>c</b>						
<b>d</b>						
<b>e</b>						
<b>12</b>	Subtotal Add columns (b), (d), and (e)				45,911	
<b>13</b>	<b>Total</b> Add line 12, columns (b), (d), and (e)					45,911
	(See worksheet in line 13 instructions to verify calculations.)					

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



**Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d**

<b>(a)</b> 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>(b)</b> How acquired P—Purchase D—Donation	<b>(c)</b> Date acquired (mo, day, yr)	<b>(d)</b> Date sold (mo, day, yr)
150 shs ADP	P	1993-01-02	2012-01-27
150 shs ADP	P	1993-01-02	2012-07-10
200 shs ADP	P	1993-01-02	2012-11-15
Express Scripts - fractions	P	2003-08-20	2012-04-03
387 shs Broadridge Finl Solutions	P	1993-01-02	2012-01-27
Medco - Express Scripts merger	P	2003-08-20	2012-04-03
351 shs Orrstown Finacial Svrs	P	2005-07-15	2012-01-27
Valley Natl Bank fractions	P	1999-10-21	2012-05-25

**Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h**

<b>(e) Gross sales price</b>	<b>(f) Depreciation allowed (or allowable)</b>	<b>(g) Cost or other basis plus expense of sale</b>	<b>(h) Gain or (loss) (e) plus (f) minus (g)</b>
8,145		844	7,301
8,138		844	7,294
10,734		1,125	9,609
55		7	48
9,082		932	8,150
6,221			6,221
2,607		11,266	-8,659
7			7

**Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l**

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			<b>(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))</b>
<b>(i) F M V as of 12/31/69</b>	<b>(j) Adjusted basis as of 12/31/69</b>	<b>(k) Excess of col (i) over col (j), if any</b>	
			7,301
			7,294
			9,609
			48
			8,150
			6,221
			-8,659
			7

## Form 990PF Part XV Line 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
<b>a Paid during the year</b>				
ARTS COUNCIL OF MORRIS AREA 14 MAPLE AVE MORRISTOWN, NJ 07960	NONE	EXEMPT	ARTS	100
BLOOMFIELD COLLEGE FOUNDATION 229 LIBERTY STREET BLOOMFIELD, NJ 07003	NONE	EXEMPT	EDUCATION	350
BOCA GRANDE HEALTH CLINIC FOUNDATION P O BOX 2340 BOCA GRANDE, FL 33921	NONE	EXEMPT	MEDICAL	4,000
CHURCH OF THE NATIVITY SOUTH SECOND STREET NEWPORT, PA 17074	NONE	EXEMPT	RELIGIOUS	100
COMM FNDTN OF NJ-HARDING TWP-FUND FOR MARGETTS FIELD 35 KNOX HILL ROAD PO BOX 338 MORRISTOWN, NJ 079630338	NONE	EXEMPT	SERVICE	9,500
CCM FOUNDATIOON 214 CENTER GROVE ROAD RANDOLPH, NJ 07869	NONE	EXEMPT	EDUCATION	1,500
FAIRLEIGH DICKINSON UNIVERSITY - DIR OF ANNUAL GIVING 1000 RIVER ROAD H-DH3-12 TEANECK, NJ 07666	NONE	EXEMPT	EDUCATION	150
FRIENDS OF FLORHAM - FAIRLEIGH DICKINSON UNIVERSITY Madison Ave MADISON, NJ 07940	NONE	EXEMPT	SERVICE	400
FRIENDS OF THE GREAT SWAMP WILDLIFE REFUGE 241 PLEASANT PLAINS ROAD BASKING RIDGE, NJ 07920	NONE	EXEMPT	CONSERVATION	100
FROST VALLEY YMCA 200 FROST VALLEY ROAD CLARYVILLE, NY 12725	NONE	EXEMPT	SERVICE-YOUTH	4,000
GASPARILLA ISLAND CONSERVATION & IMPROVEMENT ASSOC PO BOX 446 BOCA GRANDE, FL 33921	NONE	EXEMPT	CONSERVATION	100
GREAT SWAMP WATERSHED ASSOCIATION P O BOX 300 NEW VERNON, NJ 07976	NONE	EXEMPT	CONSERVATION	100
GREATER MORRISTOWN YMCA 79 HORSEHILL ROAD CEDAR KNOLLS, NJ 07927	NONE	EXEMPT	SERVICE	100
HARDING LAND TRUST 110 HARTER ROAD MORRISTOWN, NJ 07960	NONE	EXEMPT	CONSERVATION	100
HURRICANE SANDY NJ RELIEF FUND PO BOX 95 MENDHAM, NJ 079450095	NONE	EXEMPT	SERVICE	2,500

## Form 990PF Part XV Line 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)				
<b>a Paid during the year</b>				
KENT SCHOOL PO BOX 2006 KENT, CT 06757	NONE	EXEMPT	EDUCATION	350
KESSLER FOUNDATION 300 EXECUTIVE DRIVE WEST ORANGE, NJ 07052	NONE	EXEMPT	SERVICE - MEDICAL	2,000
KIMBALL UNION ACADEMY PO BOX 188 MERIDAN, NH 03770	NONE	EXEMPT	EDUCATION	100
LAND CONSERVANCY OF NEW JERSEY 19 BOONTON AVENUE BOONTON, NJ 07005	NONE	EXEMPT	CONSERVATION	100
MACCULLOCH HALL 45 MACCULLOCH STREET MORRISTOWN, NJ 07960	NONE	EXEMPT	HISTORICAL	100
MILLERSBURG FERRY BOAT ASSOCIATION POBOX 93 MILLERSBURG, PA 17061	NONE	EXEMPT	SERVICE	100
MORRISTOWN MEMORIAL HEALTH FOUNDATION 100 MADISON AVENUE MORRISTOWN, NJ 07960	NONE	EXEMPT	SERVICE-MEDICAL	250
NATIONAL CIVIL WAR MUSEUM 1 LINCOLN CIRCLE AT RESERVOIR PARK HARRISBURG, PA 17103	NONE	EXEMPT	HISTORICAL	250
NED SMITHCENTER FOR NATURE AND ART 177 WATERCO ROAD PO BOX 33 MILLERSBURG, PA 17061	NONE	EXEMPT	EDUCATION	250
NEWARK ACADEMY 91 SOUTH ORANGE AVENUE LIVINGSTON, NJ 07039	NONE	EXEMPT	EDUCATION	100
NEW JERSEY CONSERVATION ASSOCIATION BAMBOO ROAD FAR HILLS, NJ 07931	NONE	EXEMPT	ENVIRONMENTAL	250
NEWPORT CITIZENS FIRE COMPANY 301 MULBERRY STREET NEWPORT, PA 17074	NONE	EXEMPT	SERVICE	100
NEWPORT PUBLIC LIBRARY 316 NORTH FOURTH STREET NEWPORT, PA 17074	NONE	EXEMPT	SERVICE-EDUCATION	850
NEWORT REVITALIZATION AND PRESERVATION SOCIETY PO BOX 13 NEWPORT, PA 17074	NONE	EXEMPT	SERVICE	500
NEWPORT VETERANS MEMORIAL PARK PROJECT - ATTN FRANK CAMPBELL 231 MARKET STREET NEWPORT, PA 17074	NONE	EXEMPT	SERVICE	500

## Form 990PF Part XV Line 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)				
<b>a Paid during the year</b>				
NEW VERNON VOLUNTEER FIRE DEPARTMENT VILLAGE ROAD NEW VERNON, NJ 07976	NONE	EXEMPT	SERVICE	150
PARTNERSHIP IN PHILANTHROPY-ATTN HEATHER ROBINSON 205 MAIN STREET CHATHAM, NJ 07928	NONE	EXEMPT	SERVICE	250
PERLMAN MUSIC PROGRAM SUNCOAST PO BOX 3407 SARASOTA, FL 34230	NONE	EXEMPT	SERVICE-YOUTH	1,250
PERRY COUNTY ARTS CUNCIL 232 MARKET STREET PO BOX 354 NEWPORT, PA 17074	NONE	EXEMPT	ARTS	5,000
PERRY COUNTY COMMUNITY FOUNDATION 200 N 3RD STREET PO BOX 678 HARRISBURG, PA 171080678	NONE	EXEMPT	SERVICE	2,000
PERRY COUNTY LITERACY COUNCIL 316 NORTH FOURTH STREET NEWPORT, PA 17074	NONE	EXEMPT	SERVICE-EDUCATION	1,000
ST ANDREWS EPISCOPAL CHURCH PO BOX 272 BOCA GRANDE, FL 33921	NONE	EXEMPT	RELIGIOUS	1,000
ST PETERS EPISCOPAL CHURCH MILLER ROAD MORRISTOWN, NJ 07960	NONE	EXEMPT	RELIGIOUS	1,000
SALVATION ARMY 95 SPRING STREET MORRISTOWN, NJ 07960	NONE	EXEMPT	SERVICE	200
SARASOTA OPERA 61 NORTH PINEAPPLE AVENUE SARASOTA, FL 34236	NONE	EXEMPT	CULTURAL	1,425
SCHUYLER-HAMILTON HOUSE 5 OLYPHANT PLACE MORRISTOWN, NJ 07960	NONE	EXEMPT	HISTORICAL	100
SPECIAL OLYMPICS - NJ PO BOX 175 PEAPACK, NJ 07877	NONE	EXEMPT	SERVICE-YOUTH	500
SPHINX FOUNDATION PO BOX 213 HANOVER, NH 03755	NONE	EXEMPT	SERVICE	250
UNIVERSITY OF VA LAW SCHOOL FOUNDATION PO BOX 400807 CHARLOTTESVILLE, VA 229044807	NONE	EXEMPT	EDUCATION	2,000
WASHINGTON ASSOCIATION OF NEW JERSEY PO BOX 1473 MORRISTOWN, NJ 079601473	NONE	EXEMPT	SERVICE	250
<b>Total . . . . .</b>				45,275
			► 3a	

## TY 2012 Accounting Fees Schedule

**Name:** The Margetts Foundation

**EIN:** 22-6041532

**Software ID:** 12000057

**Software Version:** 12.13.328.3

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Kollet Tax Accounting	1,985	992		993

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:** The Margetts Foundation

**EIN:** 22-6041532

**Software ID:** 12000057

**Software Version:** 12.13.328.3

Name	Date Acquired	How Acquired	Date Sold	Purchaser Name	Gross Sales Price	Basis	Basis Method	Sales Expenses	Total (net)	Accumulated Depreciation
150 shs ADP	1993-01	P	2012-01		8,145	844			7,301	
150 shs ADP	1993-01	P	2012-07		8,138	844			7,294	
200 shs ADP	1993-01	P	2012-11		10,734	1,125			9,609	
Express Scripts - fractions	2003-08	P	2012-04		55	7			48	
387 shs Broadridge Finl Solutions	1993-01	P	2012-01		9,082	932			8,150	
Medco - Express Scripts merger	2003-08	P	2012-04		6,221				6,221	
351 shs Orrstown Finacial Srvs	2005-07	P	2012-01		2,607	11,266			-8,659	
Valley Natl Bank fractions	1999-10	P	2012-05		7				7	

## TY 2012 General Explanation Attachment

**Name:** The Margetts Foundation

**EIN:** 22-6041532

**Software ID:** 12000057

**Software Version:** 12.13.328.3

## TY 2012 Investments Corporate Stock Schedule

**Name:** The Margetts Foundation

**EIN:** 22-6041532

**Software ID:** 12000057

**Software Version:** 12.13.328.3

<b>Name of Stock</b>	<b>End of Year Book Value</b>	<b>End of Year Fair Market Value</b>
1300 shares of Automatic Data Processing	7,310	74,009
1500 shares of Colgate-Palmolive	12,099	156,810
692 shares of Center Bancorp	6,343	8,013
100 shares of Home Depot	3,375	6,185
300 shares of Heinz HJ Co	5,329	17,304
500 shares of Johnson Johnson	11,093	35,050
2041 shares of Merck	21,664	83,559
1491 shares of Pfizer Inc	14,298	37,393
400 shares of Procter Gamble	7,649	27,156
54 shares of Smucker JM Co	3,138	4,657
100 shares of Abbott Laboratories	5,581	6,550
800 shares of UGI Corp New	4,008	26,168
100 shares of Verizon Communications	1,810	4,327
327 shares of Valley National Bancorp	3,712	3,041
24 shares of Frontier Communications	120	103
100 shares of Pepsico Incorporated	6,136	6,843
174 shares of Express Scripts	1,348	9,396

## TY 2012 Other Expenses Schedule

**Name:** The Margetts Foundation

**EIN:** 22-6041532

**Software ID:** 12000057

**Software Version:** 12.13.328.3

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Check Printing	105	105		

## TY 2012 Taxes Schedule

**Name:** The Margetts Foundation

**EIN:** 22-6041532

**Software ID:** 12000057

**Software Version:** 12.13.328.3

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Tax on investment income	232			