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 , and ending

Name of foundation: MICHAEL & KARYN LUTZ FAMILY FOUNDATION

A Employer identification number: 27-0935543

Number and street (or P O box number if mail is not delivered to street address): C/O WELTMAN 485 E. HALF DAY ROAD

Room/suite: 250

B Telephone number (see instructions)

City or town, state, and ZIP code: BUFFALO GROVE IL 60089

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) ▶ $ 18,788,828

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	380,962	380,962		
4	Dividends and interest from securities	369,936	369,936		
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	895,582			
b	Gross sales price for all assets on line 6a 7,938,951				
7	Capital gain net income (from Part IV, line 2)		895,582		
8	Net short-term capital gain			0	
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	1,646,480	1,646,480	0	
Operating and Administrative Expenses 13	Compensation of officers, directors, trustees, etc.	0			
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule) SEE STMT 1	17,470			17,470
b	Accounting fees (attach schedule) STMT 2	3,000			
c	Other professional fees (attach schedule) STMT 3	115,357	115,357		
17	Interest				
18	Taxes (attach schedule) (see instructions) STMT 4	11,892	4,937		
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (att sch.)				
24	**Total operating and administrative expenses.** Add lines 13 through 23	147,719	120,294	0	17,470
25	Contributions, gifts, grants paid	877,630			877,630
26	**Total expenses and disbursements.** Add lines 24 and 25	1,025,349	120,294	0	895,100
27	Subtract line 26 from line 12:				
a	**Excess of revenue over expenses and disbursements**	621,131			
b	**Net investment income** (if negative, enter -0-)		1,526,186		
c	**Adjusted net income** (if negative, enter -0-)			0	

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For Paperwork Reduction Act Notice, see instructions.

DAA

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	1,466		
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶			
		Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (att schedule) ▶			
		Less allowance for doubtful accounts ▶ 0			
	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)			
	c	Investments – corporate bonds (attach schedule)			
	11	Investments – land, buildings, and equipment basis ▶			
		Less. accumulated depreciation (attach sch) ▶			
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule) SEE STATEMENT 5	17,802,534	18,788,828	18,788,828
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach sch.) ▶			
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers – see the instructions Also, see page 1, item I)	17,804,000	18,788,828	18,788,828
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 ▶ [X] and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted	17,804,000	18,788,828	
	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			
	30	**Total net assets or fund balances** (see instructions)	17,804,000	18,788,828	
	31	**Total liabilities and net assets/fund balances** (see instructions)	17,804,000	18,788,828	

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	17,804,000
2	Enter amount from Part I, line 27a	2	621,131
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 6	3	363,697
4	Add lines 1, 2, and 3	4	18,788,828
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	18,788,828

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 WORKSHEET			
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) 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	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
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	895,582
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	50,393

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))
2011	837,968	18,392,251	0.045561
2010	370,316	17,059,967	0.021707
2009		6,698,374	
2008			
2007			

2 **Total** of line 1, column (d)	2	0.067268
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	0.033634
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	20,893,586
5 Multiply line 4 by line 3	5	702,735
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	15,262
7 Add lines 5 and 6	7	717,997
8 Enter qualifying distributions from Part XII, line 4	8	895,100

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 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	15,262
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b).				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			2	0
3	Add lines 1 and 2			3	15,262
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			4	0
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-			5	15,262
6	Credits/Payments:				
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a	4,400		
b	Exempt foreign organizations – tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c	16,500		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	20,900
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	5,638
11	Enter the amount of line 10 to be. **Credited to 2013 estimated tax** ▶ 5,638 **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		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1b		X
	If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation ▶ $ ______ **(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		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	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		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ IL			
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	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? If "Yes," complete Part XIV	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Part VII-A Statements Regarding Activities (continued)

			Yes	No
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		X
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		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ WELTMAN BERNFIELD LLC Telephone no. ▶ 847-941-0216
485 E. HALF DAY ROAD
Located at ▶ BUFFALO GROVE IL ZIP+4 ▶ 60089

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

			Yes	No
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		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶			

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

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 instructions)?	N/A	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		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 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.)	N/A	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		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 2012?		4b		X

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

			Yes	No
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)? N/A	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? N/A ☐ Yes ☐ No			
	If "Yes," attach the statement required by Regulations section 53 4945–5(d).			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	6b		X
	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? N/A	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
KARYN LUTZ BUFFALO GROVE C/O WELTMAN 485 E. HALF DAY ROAD IL 60089	DIRECTOR 10.00	0	0	0

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

(a) Name and address of each employee paid more than $50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over $50,000 ▶ 0

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

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
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 N/A	
2	
All other program-related investments See 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	19,340,561
b	Average of monthly cash balances	1b	102,201
c	Fair market value of all other assets (see instructions)	1c	1,769,000
d	**Total** (add lines 1a, b, and c)	1d	21,211,762
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e: 0		
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	21,211,762
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	318,176
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	20,893,586
6	**Minimum investment return.** Enter 5% of line 5	6	1,044,679

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	1,044,679
2a	Tax on investment income for 2012 from Part VI, line 5 — 2a: 15,262		
b	Income tax for 2012. (This does not include the tax from Part VI) — 2b:		
c	Add lines 2a and 2b	2c	15,262
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,029,417
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	1,029,417
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	1,029,417

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	895,100
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	895,100
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	15,262
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	879,838

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				1,029,417
2 Undistributed income, if any, as of the end of 2012:				
a Enter amount for 2011 only			888,010	
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: ▶ $ 895,100				
a Applied to 2011, but not more than line 2a			888,010	
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				7,090
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				1,022,327
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 foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	(e) Total
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 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).)

N/A

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 ▶ [X] 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 or e-mail of the person to whom applications should be addressed.

N/A

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

N/A

c Any submission deadlines:

N/A

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

N/A

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 STATEMENT 7				877,630
Total			▶ 3a	877,630
b Approved for future payment N/A				
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			14	380,962	
4 Dividends and interest from securities			14	369,936	
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	895,582	
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)		0		1,646,480	0

13 Total. Add line 12, columns (b), (d), and (e) 13 1,646,480

(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)
N/A	

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)		X
	(2) Other assets	1a(2)		X
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

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

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

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

b If "Yes," complete the following schedule.

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

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) is based on all information of which preparer has any knowledge

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

Karyn B. Lutz — Signature of officer or trustee | 8-26-2013 — Date | PRESIDENT — Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed
DAVID SIMON	DAVID SIMON	08/15/13	
Firm's name ▶ WELTMAN BERNFIELD LLC		PTIN	P00081810
Firm's address ▶ 485 E HALF DAY ROAD, SUITE 250 BUFFALO GROVE, IL 60089-8806		Firm's EIN ▶ 36-4119553	Phone no 847-941-0100

WB902 08/15/2013 10 10 AM

Capital Gains and Losses for Tax on Investment Income

Form **990-PF** — **2012**

For calendar year 2012, or tax year beginning , and ending

Name: MICHAEL & KARYN LUTZ FAMILY FOUNDATION

Employer Identification Number: 27-0935543

	(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)	GS 029-18298-7 (ST) (CV)	P	VARIOUS	VARIOUS
(2)	GS 029-18298-7 (LT) (CV)	P	VARIOUS	VARIOUS
(3)	GS 029-18298-7 (LT) (NC)	P	VARIOUS	VARIOUS
(4)	GS 029-18297-9 (ST) (CV)	P	VARIOUS	VARIOUS
(5)	GS 029-18297-9 (LT) (CV)	P	VARIOUS	VARIOUS
(6)	GS 029-18297-9 (LT) (NC)	P	VARIOUS	VARIOUS
(7)	GS 029-18309-2 (ST) (CV)	P	VARIOUS	VARIOUS
(8)	GS 029-18309-2 (LT) (CV)	P	VARIOUS	VARIOUS
(9)	GS 029-18309-2 (LT) (NC)	P	VARIOUS	VARIOUS
(10)	GS 029-18310-0 (ST) (CV)	P	VARIOUS	VARIOUS
(11)	GS 029-18310-0 (LT) (CV)	P	VARIOUS	VARIOUS
(12)	GS 029-18310-0 (LT) (NC)	P	VARIOUS	VARIOUS
(13)	GS 029-18311-8 (ST) (CV)	P	VARIOUS	10/22/12
(14)	GS 029-18313-4 (LT) (NC)	P	VARIOUS	VARIOUS
(15)	GS 029-94946-8 (ST) (CV)	P	VARIOUS	VARIOUS

	(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)
(1)	10,216		7,049	3,167
(2)	23,873		19,649	4,224
(3)	40,704		29,521	11,183
(4)	779,897		822,209	-42,312
(5)	477,205		517,048	-39,843
(6)	5,785		7,111	-1,326
(7)	383,883		336,129	47,754
(8)	831,822		763,515	68,307
(9)	855,081		728,949	126,132
(10)	252,161		247,469	4,692
(11)	839,828		774,361	65,467
(12)	518,548		383,636	134,912
(13)	329,982		305,536	24,446
(14)	1,759,491		1,779,536	-20,045
(15)	326,753		321,651	5,102

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

	(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	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(1)				3,167
(2)				4,224
(3)				11,183
(4)				-42,312
(5)				-39,843
(6)				-1,326
(7)				47,754
(8)				68,307
(9)				126,132
(10)				4,692
(11)				65,467
(12)				134,912
(13)				24,446
(14)				-20,045
(15)				5,102

Form **990-PF**

Capital Gains and Losses for Tax on Investment Income

2012

For calendar year 2012, or tax year beginning , and ending

Name
MICHAEL & KARYN LUTZ
FAMILY FOUNDATION

Employer Identification Number
27-0935543

	(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)	GS 029-18297-9 (LT) WASH SALE	P	VARIOUS	VARIOUS
(2)	GS 029-18297-9 (ST) WASH SALE	P	VARIOUS	VARIOUS
(3)	GS 029-18309-2 (ST) WASH SALE	P	VARIOUS	VARIOUS
(4)	GS 029-18310-0 (ST) WASH SALE	P	VARIOUS	VARIOUS
(5)	LONG TERM GAIN FROM NHI LLC	P	VARIOUS	VARIOUS
(6)	GS 029-18298-7			
(7)	GS 029-18311-8			
(8)	GS 029-94946-8			
(9)				
(10)				
(11)				
(12)				
(13)				
(14)				
(15)				

	(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)
(1)	3,298			3,298
(2)	3,932			3,932
(3)	376			376
(4)	3,236			3,236
(5)	483,762			483,762
(6)	80			80
(7)	9,030			9,030
(8)	8			8
(9)				
(10)				
(11)				
(12)				
(13)				
(14)				
(15)				

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

	(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	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(1)				3,298
(2)				3,932
(3)				376
(4)				3,236
(5)				483,762
(6)				80
(7)				9,030
(8)				8
(9)				
(10)				
(11)				
(12)				
(13)				
(14)				
(15)				

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
LEGAL FEES	$ 17,470	$	$	$ 17,470
TOTAL	$ 17,470	$ 0	$ 0	$ 17,470

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
ACCOUNTING FEES	$ 3,000	$	$	$
TOTAL	$ 3,000	$ 0	$ 0	$ 0

Statement 3 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
GS 029-18298-7	$ 8,494	$ 8,494	$	$
GS 029-18296-1	3,696	3,696		
GS 029-18297-9	19,764	19,764		
GS 029-18309-2	25,952	25,952		
GS 029-18310-0	22,629	22,629		
GS 029-18311-8	3,000	3,000		
GS 029-18313-4	31,822	31,822		
TOTAL	$ 115,357	$ 115,357	$ 0	$ 0

Federal Statements

Statement 4 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FOREIGN TAX - GS 029-18298-7	$ 21	$ 21	$	$
FOREIGN TAX - GS 029-18296-1	959	959		
FOREIGN TAX - GS 029-18297-9	3,539	3,539		
FOREIGN TAX - GS 029-18310-0	140	140		
FOREIGN TAX - GS 029-18311-8	278	278		
FEDERAL INCOME TAX	6,940			
ILLINOIS CHARITY BUREAU	15			
TOTAL	$ 11,892	$ 4,937	$ 0	$ 0

Federal Statements

Statement 5 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
NHI LLC	$ 2,148,000	$ 1,769,000		$ 1,769,000
GOLDMAN SACHS	15,654,534	17,019,828		17,019,828
TOTAL	$ 17,802,534	$ 18,788,828		$ 18,788,828

Statement 6 - Form 990-PF, Part III, Line 3 - Other Increases

Description	Amount
UNREALIZED GAIN	$ 363,697
TOTAL	$ 363,697

Federal Statements

Statement 7 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Name / Address	Address / Relationship	Status	Purpose	Amount
ADAM DON FOUNDATION WOODRIDGE IL 60517	9801 ADAM DON PARKWAY		TO FURTHER CHARITABLE PURPOSE	500
AFTER SCHOOL MATTERS CHICAGO IL 60601	66 E RANDOLPH STREET		TO FURTHER CHARITABLE PURPOSE	500
ALBANY PARK THEATER CHICAGO IL 60625	P.O. BOX 257995		TO FURTHER CHARITABLE PURPOSE	500
AMERICAN JEWISH COMMITTEE NEW YORK NY 10022	165 E. 65TH STREET		TO FURTHER CHARITABLE PURPOSE	500
ASPEN MUSIC SCHOOL ASPEN CO 81611	2 MUSIC SCHOOL RD		TO FURTHER CHARITABLE PURPOSE	1,000
UNITED CEREBRAL PALSY WATERTOWN MA 02472	164 MAIN STREET		TO FURTHER CHARITABLE PURPOSE	100
BOUNDLESS READERS CHICAGO IL 60640	5153 N CLARK ST #206		TO FURTHER CHARITABLE PURPOSE	500
BIG SHOULDERS FUND CHICAGO IL 60606	309 W. WASHINGTON STREET		TO FURTHER CHARITABLE PURPOSE	2,500
CHICAGO JEWISH DAY SCHOOL CHICAGO IL 60660	5959 N. SHERIDAN ROAD		TO FURTHER CHARITABLE PURPOSE	180
CHICAGO SHAKESPEARE THEATER CHICAGO IL 60611	800 EAST GRAND AVE		TO FURTHER CHARITABLE PURPOSE	500
CHICAGO SYMPHONY ORCHESTRA CHICAGO IL 60604	220 S MICHIGAN AVE		TO FURTHER CHARITABLE PURPOSE	500
F.R.E.E. NEW YORK NY 10007	20 MURRAY STREET		TO FURTHER CHARITABLE PURPOSE	2,500
FRIENDS OF THE IDF CHICAGO IL 60602	29 E. MADISON		TO FURTHER CHARITABLE PURPOSE	4,000
GOODMAN THEATRE CHICAGO IL 60609	363 W PERSHING RD		TO FURTHER CHARITABLE PURPOSE	500
HAND IN HAND PALO ALTO CA 94301	555 WAVERLEY STREET		TO FURTHER CHARITABLE PURPOSE	450
JAFCO SUNRISE FL 33351	4200 N. UNIVERSITY DRIVE		TO FURTHER CHARITABLE PURPOSE	8,000
JCC BUFFALO GROVE IL 60089	370 HALF DAY ROAD		TO FURTHER CHARITABLE PURPOSE	2,100

Statement 7 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name / Address	Address / Relationship / Status	Purpose	Amount
JCC WOMEN'S AUXILIARY CHICAGO IL 60606	30 S WELLS	TO FURTHER CHARITABLE PURPOSE	4,000
JCYS CHICAGO IL 60602	180 W. WASHINGTON STREET	TO FURTHER CHARITABLE PURPOSE	100
JEWISH FED OF PALM BEACH COUNTY WEST PALM BEACH FL 33417	4601 COMMUNITY DR	TO FURTHER CHARITABLE PURPOSE	750
JEWISH UNITED FUND CHICAGO IL 60606	30 S. WELLS STREET	TO FURTHER CHARITABLE PURPOSE	7,000
KRAVIS CENTER WEST PALM BEACH FL 33401	701 OKEECHOBEE BLVD	TO FURTHER CHARITABLE PURPOSE	500
LYRIC OPERA CHICAGO IL 60606	20 N WACKER DRIVE	TO FURTHER CHARITABLE PURPOSE	500
MAKE A WISH FOUNDATION CHICAGO IL 60654	640 N LA SALLE DR	TO FURTHER CHARITABLE PURPOSE	100
MELANOMA RESEARCH FOUNDATION WASHINGTON DC 20005	1411 K ST NW STE 500	TO FURTHER CHARITABLE PURPOSE	5,000
NOBLE NETWORK CHARTER SCHOOLS CHICAGO IL 60602	1 N STATE ST	TO FURTHER CHARITABLE PURPOSE	20,000
PLAY FOR PINK NEW YORK NY 10022	60 EAST 56TH STREET	TO FURTHER CHARITABLE PURPOSE	150
PRINCETON UNIVERSITY PRINCETON NJ 08542	FACULTY RD	TO FURTHER CHARITABLE PURPOSE	500
THE ROCHELLE LEE FUND CHICAGO IL 60640	5153 NORTH CLARK ST #206	TO FURTHER CHARTIABLE PURPOSE	500
REBECCA'S DREAM CHICAGO IL 60602	130 N. GARLAND	TO FURTHER CHARITABLE PURPOSE	200
STEPPENWOLF THEATRE COMPANY CHICAGO IL 60614	1650 N HALSTED ST	TO FURTHER CHARITABLE PURPOSE	500
TEMPLE EMANU-EL NEW YORK NY 10065	ONE EAST 65TH STREET	TO FURTHER CHARITABLE PURPOSE	10,000
THE POSSE FOUNDATION CHICAGO IL 60604	111 W. JACKSON	TO FURTHER CHARITABLE PURPOSE	500
UNIVERSITY OF CHICAGO CHICAGO IL 60637	1212 E 59TH ST	TO FURTHER CHARITABLE PURPOSE	1,000

Federal Statements

Statement 7 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name / Address	Address / Relationship / Status	Purpose	Amount
WRITERS THEATRE GLENCOE IL 60022	664 VERNON AVE	TO FURTHER CHARITABLE PURPOSE	500
CENTER FOR ENRICHED LIVING RIVERWOODS IL 60015	280 SAUNDERS ROAD	TO FURTHER CHARITABLE PURPOSE	1,000
GOLDMAN SACHS PHILANTHROPY FUND NEW YORK NY 10282	200 WEST STREET	TO FURTHER CHARITABLE PURPOSE	800,000
TOTAL			877,630