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

Department of the Treasury
Internal Revenue Service

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

For calendar year 2012 or tax year beginning _____, **2012, and ending** _____, **20** _____

Name of foundation **THE KAPNICK FOUNDATION**
U/A/S 8/15/04

Number and street (or P.O. box number if mail is not delivered to street address)
P.O. BOX 73
BOWLING GREEN STATION

Room/suite _____

City or town, state, and ZIP code
NEW YORK, NY 10274-0073

A Employer identification number
36-7434011

B Telephone number (see instructions)
(212) 902-5628

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

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 57,753,813.

J Accounting method: Cash Accrual
 Other (specify) _____
(Part I, column (d) must be on cash basis)

C If exemption application is pending, check here

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

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

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)
1 Contributions, gifts, grants, etc., received (attach schedule)		NONE			
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		1,004.	1,004.		ATCH 1
4 Dividends and interest from securities		137,724.	137,724.		ATCH 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		5,150,391.			
b Gross sales price for all assets on line 6a		13,998,377.			
7 Capital gain net income (from Part IV, line 2)			5,149,603.		
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) ATCH 3		1,689,482.	1,662,847.		
12 Total. Add lines 1 through 11		6,978,601.	6,951,178.	0	
13 Compensation of officers, directors, trustees, etc.		0			
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees (attach schedule) ATCH 4					4,250.
b Accounting fees (attach schedule) ATCH 5			4,892.		4,893.
c Other professional fees (attach schedule)		62,586.	62,586.		
17 Interest					
18 Taxes (attach schedule) (see instructions) ATCH 7		75,000.			
19 Depreciation (attach schedule) and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses (attach schedule) ATCH 8		77,731.	51,588.		15.
24 Total operating and administrative expenses. Add lines 13 through 23		229,352.	119,066.		9,158.
25 Contributions, gifts, grants paid		2,532,761.			2,532,761.
26 Total expenses and disbursements. Add lines 24 and 25		2,762,113.	119,066.	0	2,541,919.
27 Subtract line 26 from line 12		4,216,488.			
a Excess of revenue over expenses and disbursements			6,832,112.		
b Net investment income (if negative, enter -0-)					
c Adjusted net income (if negative, enter -0-)				0	

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value			
Assets	1	Cash - non-interest-bearing		232,640.	5,726,941.	5,726,941.	
	2	Savings and temporary cash investments		129,964.	26,815.	26,815.	
	3	Accounts receivable ▶					
		Less allowance for doubtful accounts ▶					
	4	Pledges receivable ▶					
		Less allowance for doubtful accounts ▶					
	5	Grants receivable					
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)					
	7	Other notes and loans receivable (attach schedule) ▶					
		Less allowance for doubtful accounts ▶					
	8	Inventories for sale or use					
	9	Prepaid expenses and deferred charges					
	10 a	Investments - U.S. and state government obligations (attach schedule)					
	b	Investments - corporate stock (attach schedule)					
	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) ATCH 9			42,502,046.	43,399,750.	52,000,057.	
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)			42,864,650.	49,153,506.	57,753,813.	
Liabilities	17	Accounts payable and accrued expenses					
	18	Grants payable					
	19	Deferred revenue					
	20	Loans from officers, directors, trustees, and other disqualified persons			1,791,000.	3,863,369.	ATCH 10
	21	Mortgages and other notes payable (attach schedule)					
	22	Other liabilities (describe ▶)					
23	Total liabilities (add lines 17 through 22)			1,791,000.	3,863,369.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.						
	24	Unrestricted					
	25	Temporarily restricted					
	26	Permanently restricted					
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/> X						
	27	Capital stock, trust principal, or current funds			41,073,650.	45,290,137.	
	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)			41,073,650.	45,290,137.		
31	Total liabilities and net assets/fund balances (see instructions)			42,864,650.	49,153,506.		

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	41,073,650.
2	Enter amount from Part I, line 27a	2	4,216,488.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	45,290,138.
5	Decreases not included in line 2 (itemize) ▶ ATCH 11	5	1.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	45,290,137.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE PART IV SCHEDULE				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any		
a				
b				
c				
d				
e				
2 Capital gain net income or (net capital loss)		{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2 5,149,603.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):		{ If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8 }		3 0

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2011	2,091,814.	47,858,547.	0.043708
2010	4,123,191.	46,052,557.	0.089532
2009	2,338,885.	36,222,488.	0.064570
2008	3,296,229.	44,882,587.	0.073441
2007	1,414,830.	36,222,828.	0.039059
2 Total of line 1, column (d)			2 0.310310
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 0.062062
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5			4 53,237,305.
5 Multiply line 4 by line 3			5 3,304,014.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 68,321.
7 Add lines 5 and 6			7 3,372,335.
8 Enter qualifying distributions from Part XII, line 4			8 2,541,919.

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)

Table with 11 rows for excise tax calculations. Includes sub-rows 6a-6d for credits and payments. Total tax due is 84,867.

Part VII-A Statements Regarding Activities

Table with 10 rows of activity statements. Includes questions about political campaigns, expenditures, and reporting requirements. Includes handwritten entry 'IL' for line 8a.

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	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 ▶ BCRS ASSOCIATES, LLC Telephone no ▶ 212-440-0800				
Located at ▶ 77 WATER STREET - 9TH FLOOR NEW YORK, NY ZIP+4 ▶ 10005				
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here			<input type="checkbox"/>
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	Yes	No
				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? <input type="checkbox"/> 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> 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)? <input type="checkbox"/> 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) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b	N/A
Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>			
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	N/A
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If "Yes," list the years ▶ _____			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions)	2b	N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ _____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> 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)	3b	N/A
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)

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)? Yes No

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) *N/A*

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? Yes 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? Yes No

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
ATCH 12		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		0	0	0

Total number of other employees paid over \$50,000

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

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE	NONE	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 PLEASE NOTE, THE FOUNDATION IS NOT INVOLVED IN ANY DIRECT CHARITABLE ACTIVITIES. ITS PRIMARY PURPOSE IS TO SUPPORT, BY CONTRIBUTIONS, OTHER ORGANIZATIONS EXEMPT UNDER INTERNAL	NONE
2 REVENUE CODE SECTION 501(C)(3).	
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	NONE
2 N/A	
All other program-related investments See instructions 3 N/A	
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	3,397,968.
b	Average of monthly cash balances	1b	1,647,444.
c	Fair market value of all other assets (see instructions)	1c	49,002,613.
d	Total (add lines 1a, b, and c)	1d	54,048,025.
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	54,048,025.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	810,720.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	53,237,305.
6	Minimum investment return. Enter 5% of line 5	6	2,661,865.

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	2,661,865.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	136,642.
b	Income tax for 2012 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	136,642.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	2,525,223.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	2,525,223.
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	2,525,223.

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	2,541,919.
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	2,541,919.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	2,541,919.

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				2,525,223.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			NONE	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2012				
a From 2007				NONE
b From 2008				902,162.
c From 2009				580,273.
d From 2010				2,034,663.
e From 2011				NONE
f Total of lines 3a through e	3,517,098.			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ 2,541,919.				
a Applied to 2011, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2012 distributable amount				2,525,223.
e Remaining amount distributed out of corpus	16,696.			
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	3,533,794.			
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			NONE	
f Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				NONE
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	3,533,794.			
10 Analysis of line 9				
a Excess from 2008				902,162.
b Excess from 2009				580,273.
c Excess from 2010				2,034,663.
d Excess from 2011				NONE
e Excess from 2012				16,696.

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) NOT APPLICABLE

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

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

1 Information Regarding Foundation Managers:

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

ATTACHMENT 13

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc (see 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:

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 STATEMENT ATTACHED				2,532,761.
Total ▶ 3a				2,532,761.
b Approved for future payment				
Total ▶ 3b				

Form 990-PF (2012)

THE KAPNICK FOUNDATION

34-74340311

Page 13

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

- 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code... a Transfers from the reporting foundation to a noncharitable exempt organization of: (1) Cash (2) Other assets b Other transactions: (1) Sales of assets to a noncharitable exempt organization (2) Purchases of assets from a noncharitable exempt organization (3) Rental of facilities, equipment, or other assets (4) Reimbursement arrangements (5) Loans or loan guarantees (6) Performance of services or membership or fundraising solicitations c Sharing of facilities, equipment, mailing lists, other assets, or paid employees d If the answer to any of the above is "Yes," complete the following schedule.

Table with 4 columns: (a) Where, (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... b If "Yes," complete the following schedule.

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

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 he or she has any knowledge.

Signature and title section for William Baratz, Preparer, dated 11/13/13, with firm information for BCRS ASSOCIATES, LLC.

Form 990-PF (2012)

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
398,728.		LOSS ON PARTIAL DISP GS WEST STREET 424,852.					VARIOUS -26,124.	VARIOUS
206,007.		LTCG THRU GS VINTAGE V					VARIOUS 206,007.	VARIOUS
		LTCG(L) THRU GS CAP PTRS III 52,778.					VARIOUS -52,778.	VARIOUS
140,997.		LTCG(L) THRU CRESTVIEW PARTNERS II LP					VARIOUS 140,997.	VARIOUS
11453882.		GAIN ON HB LEVERAGED LOAN PTRS 2010 8,370,356.					VARIOUS 3,083,526.	VARIOUS
218,218.		CAP GAIN GSCP 2000 EMPLOYEE FUND					VARIOUS 218,218.	VARIOUS
1,487,439.		CAP GAIN GSCP V					VARIOUS 1,487,439.	VARIOUS
32,922.		CAP GAIN GSMP 2006					VARIOUS 32,922.	VARIOUS
35,275.		CAP GAIN GSMP III					VARIOUS 35,275.	VARIOUS
24,121.		CAP GAIN GOLDENTREE LEV LOAN PARTNERS					VARIOUS 24,121.	VARIOUS
TOTAL GAIN (LOSS)							<u>5,149,603.</u>	

THE KAPNICK FOUNDATION U/A/S 8/15/04

EIN: 36-7434011

SUPPLEMENTARY STATEMENTS

PART: XV

LINE: 2

SUPPLEMENTAL INFORMATION

THE ORGANIZATION'S PRIMARY ACTIVITY IS TO SUPPORT, BY CONTRIBUTIONS, OTHER ORGANIZATIONS QUALIFYING FOR EXEMPTION UNDER SECTION 501(c)(3) OF THE INTERNAL REVENUE CODE. THE TRUSTEES CHOOSE THESE ORGANIZATIONS BASED UPON THEIR KNOWLEDGE OF THE ORGANIZATIONS' ACTIVITIES. NO CONTRIBUTIONS, GRANTS, GIFTS, LOANS OR SCHOLARSHIPS ARE MADE TO INDIVIDUALS. THE ORGANIZATION DOES NOT PRESENTLY RECEIVE APPLICATIONS OR CONDUCT PROGRAMS FOR DONATIONS IN ITS ACTIVITIES.

ATTACHMENT 1

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>
INTEREST ON CREDIT BALANCE - GS	47.		47.
INTEREST ON BDA - GS	952.		952.
INTEREST ON MMA - NORTHERN TRUST	1.		1.
INTEREST ON CREDIT BALANCE - JP MORGAN	4.		4.
TOTAL	<u>1,004.</u>	<u>1,004.</u>	

ATTACHMENT 2

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

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>
DIVIDENDS THRU GOLDMAN SACHS	54,803.	54,803.	
DIVIDENDS THRU GS CAP PARTNERS K-1	71.	71.	
INTEREST THRU CRESTVIEW PARTNERS II, LP	68,126.	68,126.	
SHORT-TERM INTEREST THRU GS VINTAGE V	14,724.	14,724.	
TOTAL	<u>137,724.</u>	<u>137,724.</u>	

ATTACHMENT 3

FORM 990PF, PART I - OTHER INCOME

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>
PFIC ORD INCOME THRU GS EMPLOYEE FUNDS	57,058.	57,058.	
PORTFOLIO INCOME THRU GS VINTAGE V	96,155.	96,155.	
ORD INC THRU CRESTVIEW PTRS II LP - UBTI	26,434.		
RRE INCOME THRU CRESTVIEW PTRS II - UBTI	201.		
ROYALTY INCOME THRU CRESTVIEW PTRS II	524.		524.
PFIC ORD INC HB IRISH SENIOR LOAN FUND	1,449,549.	1,449,549.	
PFIC ORD INC HB IRISH SPECIALTY LOAN III	6,070.	6,070.	
PFIC ORD INC GOLDENTREE LEV LOAN PTRS	17,895.	17,895.	
PFIC ORD INC CHAYTON SAVA PPTY FUND	35,597.	35,597.	
SEC 988 THRU GS CAP PTRS III	-1.	-1.	
TOTALS	<u>1,689,482.</u>	<u>1,662,847.</u>	

ATTACHMENT 4

FORM 990PF, PART I - LEGAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
MCDERMOTT WILL & EMERY LLP	4,250.			4,250.
TOTALS	<u>4,250.</u>			<u>4,250.</u>

ATTACHMENT 5

FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
BCRS ASSOCIATES, LLC	9,785.	4,892.		4,893.
TOTALS	<u>9,785.</u>	<u>4,892.</u>		<u>4,893.</u>

ATTACHMENT 6

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
MGMT FEES THRU GS VINTAGE V	62,586.	62,586.		
TOTALS	<u>62,586.</u>	<u>62,586.</u>		

ATTACHMENT 7

FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
FEDERAL TAX PAID: -BAL DUE W/ EXT 990-PF 2011	75,000.			
TOTALS	<u>75,000.</u>			

ATTACHMENT 8

FORM 990PF, PART I - OTHER EXPENSES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
<u>INTEREST EXPENSE THRU:</u>				
CRESTVIEW PARTNERS LP K-1	284.	284.		
<u>PORTFOLIO DEDUCTIONS THRU:</u>				
GS CAP PARTNERS III LP K-1	652.	652.		
CRESTVIEW PARTNERS II LP K-1	50,642.	50,642.		
CRESTVIEW PTRS II LP - UBTI	4,062.			
FOREIGN TAX PAID THRU GSCP III	10.	10.		
SEC 59(E)(2) EXPENDITURE THRU				
CRESTVIEW PARTNERS II - UBTI	18,985.			
NON-DED EXP THRU CRESTVIEW PTR	3,081.			
ILLINOIS FILING FEE	15.			15.
TOTALS	<u>77,731.</u>	<u>51,588.</u>		<u>15.</u>

ATTACHMENT 9

FORM 990PF, PART II - OTHER INVESTMENTS

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
SEE LONG POSITION ATTACHED	351,211.	351,211.	3,865,068.
GS CAPITAL PARTNERS III LP	-43,574.	-106,772.	3,061.
GS VINTAGE FUND V, LP	2,535,928.	2,950,756.	3,359,548.
GS CAPITAL PARTNERS 2000, LP	472,814.	472,814.	410,322.
GS CAPITAL PARTNERS V LP	1,011,533.	1,011,533.	2,856,000.
GS MEZZANINE PARTNERS 2006 LP	2,739,468.	2,661,071.	1,512,300.
GS MEZZANINE PARTNERS III LP	1,088,808.	1,005,667.	156,876.
GOLDENTREE LEVERAGE LOAN PTRS	277,985.	320,001.	324,135.
CRESTVIEW PARTNERS II LP	2,892,628.	3,229,221.	4,180,647.
CHAYTON SAVA PROPERTY FUND	1,537,299.	1,621,904.	702,900.
HIGHBRIDGE PRINCIPAL			
STRATEGIES INSTL MEZZ PTRS	4,930,754.	5,056,055.	8,933,948.
GS WEST STREET PARTNERS III	687,144.	262,292.	254,454.
HIGHBRIDGE PRINCIPAL STRAT			
IRISH SENIOR LOAN FUND II	9,783,981.	9,730,986.	9,263,731.
HIGHBRIDGE LEVERAGED LOAN PTRS			
2010 MASTER FUND-FULLY DISP	9,236,067.	NONE	NONE
SOROBAN CAYMAN FUND LTD	3,000,000.	3,000,000.	4,058,452.
HIGHBRIDGE PRINCIPAL STRAT			
CREDIT OPPORTUNITIES FUND	2,000,000.	2,000,000.	2,203,978.
HIGHBRIDGE IRISH SPECIALTY			
LOAN FUND III	NONE	4,106,070.	4,127,358.
HIGHBRIDGE LEVERAGED LOAN PTRS			
OFFSHORE FUND III LP	NONE	5,726,941.	5,787,279.
TOTALS	<u>42,502,046.</u>	<u>43,399,750.</u>	<u>52,000,057.</u>

ATTACHMENT 10

FORM 990PF, PART II - LOANS FROM OFFICERS, DIRECTORS, ETC.

LENDER: INT-FREE LOAN FROM SCOTT B. KAPNICK
 ORIGINAL AMOUNT: 1,300,000.
 INTEREST RATE:
 DATE OF NOTE: 12/01/2011
 MATURITY DATE: 11/30/2014

BEGINNING BALANCE DUE 1,300,000.

ENDING BALANCE DUE 1,300,000.

LENDER: INT-FREE LOAN FROM SCOTT B. KAPNICK
 ORIGINAL AMOUNT: 491,000.
 INTEREST RATE:
 DATE OF NOTE: 12/16/2011
 MATURITY DATE: 12/15/2014

BEGINNING BALANCE DUE 491,000.

ENDING BALANCE DUE 491,000.

LENDER: INT-FREE LOAN FROM SCOTT B. KAPNICK
 ORIGINAL AMOUNT: 34,869.
 INTEREST RATE:
 DATE OF NOTE: 01/12/2012
 MATURITY DATE: 01/11/2015

BEGINNING BALANCE DUE

ENDING BALANCE DUE 34,869.

ATTACHMENT 10 (CONT'D)

LENDER: INT-FREE LOAN FROM SCOTT B. KAPNICK
ORIGINAL AMOUNT: 172,500.
INTEREST RATE:
DATE OF NOTE: 02/08/2012
MATURITY DATE: 02/07/2015

BEGINNING BALANCE DUE

ENDING BALANCE DUE 172,500.

LENDER: INT-FREE LOAN FROM SCOTT B. KAPNICK
ORIGINAL AMOUNT: 1,140,000.
INTEREST RATE:
DATE OF NOTE: 09/28/2012
MATURITY DATE: 09/27/2015

BEGINNING BALANCE DUE

ENDING BALANCE DUE 1,140,000.

LENDER: INT-FREE LOAN FROM SCOTT B. KAPNICK
ORIGINAL AMOUNT: 400,000.
INTEREST RATE:
DATE OF NOTE: 12/19/2012
MATURITY DATE: 12/18/2015

BEGINNING BALANCE DUE

ENDING BALANCE DUE 400,000.

ATTACHMENT 10 (CONT'D)

LENDER: INT-FREE LOAN FROM SCOTT B. KAPNICK
ORIGINAL AMOUNT: 325,000.
INTEREST RATE:
DATE OF NOTE: 12/31/2012
MATURITY DATE: 12/30/2015

BEGINNING BALANCE DUE

ENDING BALANCE DUE 325,000.

TOTAL BEGINNING LOANS FROM OFFICERS, DIRECTORS, ETC. 1,791,000.

TOTAL ENDING LOANS FROM OFFICERS, DIRECTORS, ETC. 3,863,369.

ATTACHMENT 11

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

<u>DESCRIPTION</u>	<u>AMOUNT</u>
ROUNDING	1.
TOTAL	<u>1.</u>

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

ATTACHMENT 12

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCT AND OTHER ALLOWANCES</u>
RICHARD B. KAPNICK P.O. BOX 73 BOWLING GREEN STATION NEW YORK, NY 10274-0073	TRUSTEE	0	0	0
KATHLEEN G. KAPNICK P.O. BOX 73 BOWLING GREEN STATION NEW YORK, NY 10274-0073	TRUSTEE	0	0	0
SCOTT B. KAPNICK P.O. BOX 73 BOWLING GREEN STATION NEW YORK, NY 10274-0073	TREASURER	0	0	0
<u>GRAND TOTALS</u>		<u>0</u>	<u>0</u>	<u>0</u>

FORM 990PF, PART XV - INFORMATION REGARDING FOUNDATION MANAGERS

SCOTT B. KAPNICK; P.O. BOX 73, BOWLING GREEN STATION
NEW YORK, NY 10274-0073

FORM 990-PF, PART XVI-A - ANALYSIS OF OTHER REVENUE

ATTACHMENT 14

DESCRIPTION	BUSINESS CODE	AMOUNT	EXCLUSION CODE	AMOUNT	RELATED OR EXEMPT FUNCTION INCOME
PFIC ORDINARY INCOME THRU GS EMPLOYEE FUNDS			01	57,058.	
PORTFOLIO INCOME THRU GS VINTAGE V			01	96,155.	
ORDINARY INC THRU CRESTVIEW PTRS II LP	523000	26,434.			
RENTAL REAL ESTATE INC THRU CRESTVIEW PTRS II LP	523000	201.			
ROYALTY INCOME THRU CRESTVIEW PTRS II LP			01	524.	
PFIC ORD INCOME HB IRISH SENIOR LOAN FUND II			01	1,449,549.	
PFIC ORD INCOME HB IRISH SPECIALTY LOAN FUND III			01	6,070.	
PFIC ORDINARY INCOME GOLDENTREE LEV LOAN PTRS			01	17,895.	
PFIC ORDINARY INCOME CHAYTON SAVA PROPERTY FUND			01	35,597.	
SEC 988 THRU GS CAP PARTNERS III LP			01	-1.	

TOTALS

26,635.

1,662,847.

**SCHEDULE D
(Form 1041)**

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ Attach to Form 1041, Form 5227, or Form 990-T.
▶ Information about Schedule D (Form 1041) and its separate instructions is at
www.irs.gov/form1041.

OMB No 1545-0092

2012

Name of estate or trust **THE KAPNICK FOUNDATION**
U/A/S 8/15/04

Employer identification number
36-7434011

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

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

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

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2011 Capital Loss Carryover Worksheet	4	()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back	5	

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

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

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	5,150,391.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9 Capital gain distributions	9	
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2011 Capital Loss Carryover Worksheet	11	()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back	12	5,150,391.

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

Schedule D (Form 1041) 2012

Part III Summary of Parts I and II		(1) Beneficiaries' (see instr)	(2) Estate's or trust's	(3) Total
Caution: Read the instructions before completing this part.				
13	Net short-term gain or (loss)	13		
14	Net long-term gain or (loss):			
a	Total for year	14a		5,150,391.
b	Unrecaptured section 1250 gain (see line 18 of the wrksht)	14b		
c	28% rate gain	14c		
15	Total net gain or (loss). Combine lines 13 and 14 ▶	15		5,150,391.

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

Part IV Capital Loss Limitation

16	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of: a The loss on line 15, column (3) or b \$3,000	16	()
----	---	----	-----

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the Capital Loss Carryover Worksheet in the instructions to figure your capital loss carryover

Part V Tax Computation Using Maximum Capital Gains Rates

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

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

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

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

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17		
18	Enter the smaller of line 14a or 15 in column (2) but not less than zero	18		
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19		
20	Add lines 18 and 19	20		
21	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- . . . ▶	21		
22	Subtract line 21 from line 20 If zero or less, enter -0-	22		
23	Subtract line 22 from line 17 If zero or less, enter -0-	23		
24	Enter the smaller of the amount on line 17 or \$2,400	24		
25	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 and 26; go to line 27 and check the "No" box. <input type="checkbox"/> No. Enter the amount from line 23	25		
26	Subtract line 25 from line 24	26		
27	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31 <input type="checkbox"/> No. Enter the smaller of line 17 or line 22	27		
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)	28		
29	Subtract line 28 from line 27	29		
30	Multiply line 29 by 15% (15)	30		
31	Figure the tax on the amount on line 23. Use the 2012 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	31		
32	Add lines 30 and 31	32		
33	Figure the tax on the amount on line 17 Use the 2012 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	33		
34	Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)	34		

THE KAPNICK FOUNDATION
CHARITABLE CONTRIBUTIONS
FYE 12/31/2012
EIN: 36-7434011

DATE	CONTRIBUTION/CITY, STATE	AMOUNT
2/28/2012	BIRCH WATHEN LENOX SCHOOL NEW YORK, NY	\$10,000.00
3/16/2012	HAMILTON COLLEGE CLINTON, NY	\$10,000.00
3/16/2012	SEACHANGE CAPITAL PARTNERS NEW YORK, NY	\$22,000.00
4/9/2012	UNIVERSITY OF VIRGINIA CHARLOTTESVILLE, VA	\$5,000.00
4/9/2012	UNIVERSITY OF VIRGINIA CHARLOTTESVILLE, VA	\$25,000.00
4/25/2012	COLLEGE SUMMIT WASHINGTON, DC	\$400,000.00
5/10/2012	CONSTITUTIONAL RIGHTS FOUNDATION CHICAGO, IL	\$25,000.00
6/15/2012	WILLIAMS COLLEGE WILLIAMSTOWN, MA	\$800,000.00
6/22/2012	PENCIL, INC. NEW YORK, NY	\$3,000.00
6/29/2012	VANDERBILT UNIVERSITY NASHVILLE, TN	25,000.00
7/23/2012	STANFORD UNIVERSITY STANFORD, CA	75,000.00
8/23/2012	THE METROPOLITAN OPERA NEW YORK, NY	250,000.00
9/7/2012	ROOM TO READ SAN FRANCISCO, CA	200,000.00

THE KAPNICK FOUNDATION
 CHARITABLE CONTRIBUTIONS
 FYE 12/31/2012
 EIN: 36-7434011

DATE	CONTRIBUTION/CITY, STATE	AMOUNT
9/20/2012	NAPLES BOTANICAL GARDEN NAPLES, FL	50,000.00
10/9/2012	GLOBAL GOODS PARTNERS NEW YORK, NY	25,000.00
10/17/2012	LOU MALNATI CANCER RESEARCH FUND NORTHBROOK, IL	2,500.00
10/17/2012	AJC GLOBAL JEWISH ADVOCACY NEW YORK, NY	10,000.00
10/18/2012	HOSPITAL FOR JOINT DISEASES NEW YORK, NY	10,000.00
10/31/2012	CONSTITUTIONAL RIGHTS FOUNDATION CHICAGO, IL	25,000.00
10/31/2012	PRESIDENT & TRUSTEES OF WILLIAMS COLLEGE WILLIAMSTOWN, MA	100,000.00
10/31/2012	ROOM TO READ SAN FRANCISCO, CA	200,000.00
10/31/2012	JOHN FITZGERALD KENNEDY LIBRARY FOUNDATION BOSTON, MA	250,000.00
11/5/2012	CHILD MIND INSTITUTE NEW YORK, NY	10,000.00
	THRU CRESTVIEW PARTNERS II, LP	261.00
TOTAL CONTRIBUTIONS PAID *		<u><u>\$2,532,761.00</u></u>

** ALL CONTRIBUTIONS WERE MADE TO THE GENERAL PURPOSE
 FUND OF PUBLIC CHARITABLE ORGANIZATIONS THAT WERE
 CLASSIFIED UNDER SECTION 501 (c) (3) OF THE INTERNAL
 REVENUE CODE.*



Statement Detail

KAPNICK FDN TRUST
Holdings

Period Ended December 31, 2012

The alternative investment(s) described below may not be owned by the account holder(s) for this brokerage account. Instead, the investments may be owned by one of the account holders or a related party to the account holder(s).

PUBLIC EQUITY

US EQUITY

US STOCKS

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
GOLDMAN SACHS GROUP, INC (THE) CMN (GS)	30,300 00	127 5600	3,865,068 00	31 7222	961,183 34	2,903,884 66	1 5679	60,600 00

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ▶
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only ▶

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print	Name of exempt organization or other filer, see instructions. KAPNICK FOUNDATION	Enter filer's identifying number, see instructions Employer identification number (EIN) or 36-7434011
	Number, street, and room or suite no. If a P.O. box, see instructions. c/o BCRS ASSOCIATES, LLC; 77 WATER STREET - 9TH FL	Social security number (SSN)
File by the due date for filing your return. See instructions	City, town or post office, state, and ZIP code. For a foreign address, see instructions. NEW YORK, NY 10005	

Enter the Return code for the return that this application is for (file a separate application for each return) 04

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

• The books are in the care of ▶ **BCRS ASSOCIATES, LLC**

Telephone No. ▶ **212-440-0811** FAX No. ▶ **N/A**

- If the organization does not have an office or place of business in the United States, check this box ▶
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until AUGUST 15, 20 13, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ▶ calendar year 20 12 or

▶ tax year beginning _____, 20 _____, and ending _____, 20 _____.

2 If the tax year entered in line 1 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	221,509.00
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	66,509.00
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	155,000.00

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

For Privacy Act and Paperwork Reduction Act Notice, see instructions.

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box **Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions. KAPNICK FOUNDATION	Employer identification number (EIN) or 36-7434011
	Number, street, and room or suite no. If a P.O. box, see instructions. c/o BCRS ASSOCIATES, LLC; 77 WATER STREET - 9TH FL	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. NEW YORK, NY 10005	

Enter the Return code for the return that this application is for (file a separate application for each return) 04

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01		
Form 990-BL	02	Form 1041-A	08
Form 4720 (Individual)	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of **BCRS ASSOCIATES, LLC**
Telephone No. **212-440-0811** FAX No. **N/A**
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

- I request an additional 3-month extension of time until **NOVEMBER 15**, 20 **13**.
- For calendar year **2012**, or other tax year beginning _____, 20____, and ending _____, 20____.
- If the tax year entered in line 5 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period
- State in detail why you need the extension **ALL INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE TAX RETURN IS NOT YET AVAILABLE.**

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$	221,509.00
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$	221,509.00
c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$	0.00

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature Title **CPA** Date **08/13/2013**
Form 8868 (Rev. 1-2013)