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

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

2012

For calendar year 2012 or tax year beginning

, and ending

Name of foundation

**BANE FOUNDATION**

Number and street (or P O box number if mail is not delivered to street address)

**PO BOX 1538**

A Employer identification number

**54-1716303**

City or town, state, and ZIP code

**SALEM, VA 24153**

B Telephone number

**540-387-1183**

G Check all that apply:

Initial return    Initial return of a former public charity  
 Final return    Amended return  
 Address change    Name change

C If exemption application is pending, check here ► H Check type of organization:  Section 501(c)(3) exempt private foundation Section 4947(a)(1) nonexempt charitable trust    Other taxable private foundationD 1. Foreign organizations, check here ► 2. Foreign organizations meeting the 85% test, check here and attach computation ► 

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

J Accounting method:  Cash    Accrual  
 Other (specify) \_\_\_\_\_► \$ **816,375.** (Part I, column (d) must be on cash basis.)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))

		(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			<b>N/A</b>	
2	Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B Interest on savings and temporary cash investments				
3	Dividends and interest from securities	<b>21.</b>	<b>21.</b>		<b>STATEMENT 1</b>
5a	Gross rents	<b>28,416.</b>	<b>28,416.</b>		<b>STATEMENT 2</b>
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10 Gross sales price for all assets on line 6a	<b>2,827.</b>			
7	Capital gain net income (from Part IV, line 2)		<b>2,827.</b>		
8	Net short-term capital gain				
9	Income modifications Gross sales less returns and allowances				
10a	b Less Cost of goods sold				
c	Gross profit or (loss)				
11	Other income				
12	Total. Add lines 1 through 11	<b>31,264.</b>	<b>31,264.</b>		
13	Compensation of officers, directors, trustees, etc	<b>0.</b>	<b>0.</b>		<b>0.</b>
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees				
b	Accounting fees				
c	Other professional fees	<b>STMT 3</b>	<b>1,050.</b>	<b>1,050.</b>	<b>0.</b>
17	Interest				
18	Taxes	<b>STMT 4</b>	<b>1,595.</b>	<b>0.</b>	<b>0.</b>
19	Depreciation and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses	<b>STMT 5</b>	<b>8.</b>	<b>8.</b>	<b>0.</b>
24	Total operating and administrative expenses. Add lines 13 through 23		<b>2,653.</b>	<b>1,058.</b>	<b>0.</b>
25	Contributions, gifts, grants paid		<b>34,000.</b>		<b>34,000.</b>
26	Total expenses and disbursements Add lines 24 and 25		<b>36,653.</b>	<b>1,058.</b>	<b>34,000.</b>
27	Subtract line 26 from line 12:		<b>&lt;5,389.</b>		
a	Excess of revenue over expenses and disbursements				
b	Net investment income (if negative, enter -0-)		<b>30,206.</b>		
c	Adjusted net income (if negative, enter -0-)			<b>N/A</b>	

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Part II	Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
	1 Cash - non-interest-bearing				
	2 Savings and temporary cash investments		18,911.	23,425.	23,425.
	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				
	7 Other notes and loans receivable ►				
	Less: allowance for doubtful accounts ►				
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges				
	10a Investments - U.S. and state government obligations				
	b Investments - corporate stock	STMT 6	601,797.	591,894.	792,950.
	c Investments - corporate bonds				
	11 Investments - land, buildings, and equipment basis ►				
	Less accumulated depreciation ►				
	12 Investments - mortgage loans				
	13 Investments - other				
	14 Land, buildings, and equipment: basis ►				
	Less accumulated depreciation ►				
	15 Other assets (describe ►)				
	16 Total assets (to be completed by all filers)		620,708.	615,319.	816,375.
	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				
	22 Other liabilities (describe ►)				
	23 Total liabilities (add lines 17 through 22)		0.	0.	
	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 ► <input checked="" type="checkbox"/>				
	and complete lines 27 through 31				
	27 Capital stock, trust principal, or current funds		601,797.	601,797.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds		18,911.	13,522.	
	30 Total net assets or fund balances		620,708.	615,319.	
	31 Total liabilities and net assets/fund balances		620,708.	615,319.	

## 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	620,708.
2 Enter amount from Part I, line 27a	2	<5,389.>
3 Other increases not included in line 2 (itemize) ►	3	0.
4 Add lines 1, 2, and 3	4	615,319.
5 Decreases not included in line 2 (itemize) ►	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	615,319.

**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.)
<b>1a CAPITAL GAINS DIVIDENDS</b>					
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
(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)		
<b>a</b> 2,827.			<b>2,827.</b>		
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
<b>a</b>			<b>2,827.</b>		
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
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	<b>2,827.</b>	
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). If (loss), enter -0- in Part I, line 8			3	N/A	

**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	33,000.	706,055.	.046739
2010	33,000.	686,909.	.048041
2009	40,375.	662,748.	.060921
2008	44,756.	823,177.	.054370
2007	44,289.	912,761.	.048522

2 Total of line 1, column (d) 2 .258593

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 .051719

4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5 4 819,487.

5 Multiply line 4 by line 3 5 42,383.

6 Enter 1% of net investment income (1% of Part I, line 27b) 6 302.

7 Add lines 5 and 6 7 42,685.

8 Enter qualifying distributions from Part XII, line 4 8 34,000.

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 ► <input type="checkbox"/> 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 ► <input type="checkbox"/> and enter 1% of Part I, line 27b	1	604.
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	604.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			4	0.
5	<b>Tax based on investment income</b> Subtract line 4 from line 3. If zero or less, enter -0-			5	604.
6	<b>Credits/Payments:</b>	6a	800.		
	a 2012 estimated tax payments and 2011 overpayment credited to 2012	6b			
	b Exempt foreign organizations - tax withheld at source	6c			
	c Tax paid with application for extension of time to file (Form 8868)	6d			
7	Total credits and payments. Add lines 6a through 6d	7	800.		
8	Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	2.		
9	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	9			
10	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	10	194.		
11	Enter the amount of line 10 to be: <b>Credited to 2013 estimated tax</b> ► 194. Refunded ► 0.	11	0.		

**Part VII-A Statements Regarding Activities**

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?	Yes	No
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1a	X
	<i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>	1b	X
1c	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. ► \$ 0. (2) On foundation managers. ► \$ 0.		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ 0.		
2	Has the foundation engaged in any activities that have not previously been reported to the IRS?	2	X
	<i>If "Yes," attach a detailed description of the activities</i>		
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>	3	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?	4b	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?	5	X
	<i>If "Yes," attach the statement required by General Instruction T.</i>		
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:	6	X
	• 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?		
7	Did the foundation have at least \$5,000 in assets at any time during the year?	7	X
	<i>If "Yes," complete Part II, col (c), and Part XV</i>		
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ►		
	<u>VA</u>		
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation</i>	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)? <i>If "Yes," complete Part XIV</i>	9	X
10	<u>Did any persons become substantial contributors during the tax year?</u> <i>If "Yes," attach a schedule listing their names and addresses</i>	10	X

**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)	<input type="checkbox"/> 11	<input checked="" type="checkbox"/> 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)	<input type="checkbox"/> 12	<input checked="" type="checkbox"/> X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <b>N/A</b>	<input type="checkbox"/> 13	<input checked="" type="checkbox"/> X
14	The books are in care of ► <b>DR GENE BANE</b> Located at ► <b>PO BOX 1538, SALEM, VA</b>	Telephone no. ► <b>540 309-9006</b> ZIP+4 ► <b>24153</b>	
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	► <b>15</b>	<input type="checkbox"/> N/A
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? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►	<input type="checkbox"/> 16	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No X

**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.		<b>Yes</b>	<b>No</b>
<b>1a</b>	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>b</b>	If any answer is "Yes" to 1a(1)-(6), did <b>any</b> of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ►	<b>N/A</b>	
<b>c</b>	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?	<b>1c</b> <input checked="" type="checkbox"/> X	
<b>2</b>	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? If "Yes," list the years ►	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	Are there any years listed in 2a for which the foundation is <b>not</b> applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to <b>all</b> years listed, answer "No" and attach statement - see instructions.)	<b>N/A</b>	
c	If the provisions of section 4942(a)(2) are being applied to <b>any</b> of the years listed in 2a, list the years here. ►	<b>2b</b>	
<b>3a</b>	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.)	<b>N/A</b>	
<b>4a</b>	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	<b>3b</b>	
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?	<b>4a</b> <input checked="" type="checkbox"/> X	
		<b>4b</b> <input checked="" type="checkbox"/> 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))?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	
(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	
b 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			<input type="checkbox"/>		
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	<input type="checkbox"/>	Yes	<input type="checkbox"/>	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?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	6b
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes," file Form 8870.	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	X
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	7b
b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	N/A				

**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.**

(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
EUGENE M BANE JR PO BOX 1538 SALEM, VA 24153	PRESIDENT/DIRECTOR 1.00	0.	0.	0.
ELIZABETH S STANLEY 3627 BRYMOR RD ROANOKE, VA 24015	SECRETARY-TREASURER/DIRECT 1.00	0.	0.	0.

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
<b>NONE</b>		

**Total number of others receiving over \$50,000 for professional services**

**0**
**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	<b>N/A</b>	
2		
3		
4		

**Part IX-B | Summary of Program-Related Investments**

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

**Amount**

1	<b>N/A</b>	
2		
3	All other program-related investments. See instructions.	

**Total. Add lines 1 through 3**

**0.**

Form 990-PF (2012)

**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 804,955.
b	Average of monthly cash balances	1b 27,012.
c	Fair market value of all other assets	1c
d	<b>Total</b> (add lines 1a, b, and c)	1d 831,967.
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	3 831,967.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4 12,480.
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	5 819,487.
6	<b>Minimum investment return</b> Enter 5% of line 5	6 40,974.

**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 40,974.
2a	Tax on investment income for 2012 from Part VI, line 5	2a 604.
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b
c	Add lines 2a and 2b	2c 604.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3 40,370.
4	Recoveries of amounts treated as qualifying distributions	4 0.
5	Add lines 3 and 4	5 40,370.
6	Deduction from distributable amount (see instructions)	6 0.
7	<b>Distributable amount</b> as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7 40,370.

**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 34,000.
b	Program-related investments - total from Part IX-B	1b 0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2
3	Amounts set aside for specific charitable projects that satisfy the:	
a	Suitability test (prior IRS approval required)	3a
b	Cash distribution test (attach the required schedule)	3b
4	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4 34,000.
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	5 0.
6	<b>Adjusted qualifying distributions</b> Subtract line 5 from line 4	6 34,000.

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				40,370.
2 Undistributed income, if any, as of the end of 2012			33,875.	
a Enter amount for 2011 only				
b Total for prior years:		0.		
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	0.			
4 Qualifying distributions for 2012 from Part XII, line 4: ► \$ 34,000.			33,875.	
a Applied to 2011, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2012 distributable amount				125.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:	0.			
a Corpus Add lines 3f 4c, and 4e Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
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		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount - see instr.				0.
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				40,245.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	0.			
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 XV Supplementary Information (continued)

## 3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<i>a Paid during the year</i>				
SEE ATTACHED STATEMENT				34,000.
<b>Total</b>				► 3a 34,000.
<i>b Approved for future payment</i>				
NONE				
<b>Total</b>				► 3b 0.

## Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		(e) Related or exempt function income	
		(a) Business code	(b) Amount		(c) Exclu- sion code
<b>1</b> Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
<b>2</b> Membership dues and assessments					
<b>3</b> Interest on savings and temporary cash investments					
<b>4</b> Dividends and interest from securities					
<b>5</b> Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
<b>6</b> Net rental income or (loss) from personal property					
<b>7</b> Other investment income					
<b>8</b> Gain or (loss) from sales of assets other than inventory					
<b>9</b> Net income or (loss) from special events					
<b>10</b> Gross profit or (loss) from sales of inventory					
<b>11</b> Other revenue:					
a					
b					
c					
d					
e					
<b>12</b> Subtotal. Add columns (b), (d), and (e)			0.	31,264.	0.
<b>13</b> Total. Add line 12, columns (b), (d), and (e) (See worksheet in line 12 instructions to verify calculations.)				13	31,264.

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



## FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
STELLARONE BANK	21.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	21.

## FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
COMMUNITY TRUST BANCORP	23,476.	0.	23,476.
EDWARD JONES	7,767.	2,827.	4,940.
TOTAL TO FM 990-PF, PART I, LN 4	31,243.	2,827.	28,416.

## FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	1,050.	1,050.		0.
TO FORM 990-PF, PG 1, LN 16C	1,050.	1,050.		0.

## FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL EXCISE TAX	1,595.	0.		0.
TO FORM 990-PF, PG 1, LN 18	1,595.	0.		0.

FORM 990-PF	OTHER EXPENSES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
POSTAGE	8.	8.		0.
TO FORM 990-PF, PG 1, LN 23	8.	8.		0.

FORM 990-PF	CORPORATE STOCK	STATEMENT 6
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
18,856 SH COMMUNITY TRUST BANCORP	344,656.	618,100.
21,300 SH GABELLI EQUITY TRUST	164,146.	118,854.
7,600 SH GABELLI UTILITY TRUST	74,035.	46,816.
1,065 SH GABELLI HEALTH CARE & WELLNESS	9,057.	9,180.
TOTAL TO FORM 990-PF, PART II, LINE 10B	591,894.	792,950.

## THE BANE FOUNDATION

FORM 990PF

TAX YEAR 2012

## PART XV - GRANTS AND CONTRIBUTIONS

<u>NO</u>	<u>DONEE</u>	<u>RELATIONSHIP</u>	<u>FOUNDATION STATUS</u>	<u>PURPOSE OF GRANT</u>	<u>AMOUNT</u>
1	U.S OLYMPIC COMMITTEE	NONE	NONE	GENERAL	100.00
2	SOUTHERN COLLEGE OF OPTOMETRY	NONE	NONE	STUDENT SCHOLARSHIP	10,000.00
3	EMORY AND HENRY COLLEGE	NONE	NONE	GENERAL	2,000.00
4	AMERICAN HEART ASSOCIATION	NONE	NONE	GENERAL	5,000.00
5	RESCUE MISSION OF ROANOKE VALLEY	NONE	NONE	GENERAL	1,000.00
6	LIFE OUTREACH INTERNATIONAL	NONE	NONE	GENERAL	2,000.00
7	UNITED WAY OF ROANOKE VALLEY	NONE	NONE	GENERAL	1,000.00
8	VA HISTORICAL SOCIETY	NONE	NONE	GENERAL	100.00
9	VIRGINIA MILITARY INSTITUTE	NONE	NONE	GENERAL	1,500.00
10	WINTERGREEN NATURE FOUNDATION	NONE	NONE	GENERAL	1,000.00
11	WINTERGREEN PERFORMING ARTS	NONE	NONE	GENERAL	100.00
12	WINTERGREEN VOLUNTEER FIRE DEPT	NONE	NONE	GENERAL	150.00
13	WINTERGREEN VOLUNTEER RESCUE SQUAD	NONE	NONE	GENERAL	150.00
14	WORLD WILDLIFE FUND	NONE	NONE	GENERAL	100.00
15	FIRST PRESBYTERIAN CHURCH-BUILDING FUND	NONE	NONE	GENERAL	1,200.00
16	ST. CROIX REFORMED CHURCH-ROAD IMPROVEMENT F	NONE	NONE	GENERAL	1,200.00
17	HISTORIC CRAB APPLE ORCHARD MUSEUM	NONE	NONE	GENERAL	400.00
18	BARTER THEATRE	NONE	NONE	GENERAL	1,000.00
19	THE LUSTGARDEN FOUNDATION	NONE	NONE	GENERAL	1,000.00
20	EMORY AND HENRY COLLEGE-J.T. RATLIFF SCHOLARSHIP	NONE	NONE	STUDENT SCHOLARSHIP	1,000.00
21	SHRINERS HOSPITAL	NONE	NONE	GENERAL	1,000.00
22	CHILDREN'S TRUST-ROANOKE VALLEY	NONE	NONE	GENERAL	1,000.00
23	LIFE OUTREACH INTERNATIONAL	NONE	NONE	GENERAL	1,000.00
24	MASSANUTTA SPRINGS CAMP AND CONFERENCE CENT	NONE	NONE	GENERAL	1,000.00
					<u>34,000.00</u>