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
The Guadalupe and Lilia Martinez Foundation

A Employer identification number
74-3005930

Number and street (or P O box number if mail is not delivered to street address) Room/suite
361 Pine Valley Drive

B Telephone number
972-549-1605

City or town, state, and ZIP code
Fairview, TX 75069

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 ▶ ☐

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ 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)* ▶$ 40,060,461.

J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify)
(Part I, column (d) must be on cash basis.)

Part I **Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))

		(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	5,009.		N/A	
	2 Check ▶ ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	1,390,485.	1,390,485.		Statement 1
	5a Gross rents	3,423.	3,423.		Statement 2
	b Net rental income or (loss) 3,423.				
	6a Net gain or (loss) from sale of assets not on line 10	-221,712.			
	b Gross sales price for all assets on line 6a 12,127,487.				
	7 Capital gain net income (from Part IV, line 2)				
	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)				
	11 Other income	747,822.	747,822.		Statement 3
	12 **Total.** Add lines 1 through 11	1,925,027.	2,141,730.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	245,000.	245,000.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees Stmt 4	3,427.	3,427.		0.
	b Accounting fees Stmt 5	11,500.	11,500.		0.
	c Other professional fees Stmt 6	172,045.	172,045.		0.
	17 Interest				
	18 Taxes Stmt 7	88,535.	88,535.		0.
	19 Depreciation and depletion				
	20 Occupancy	696.	696.		0.
	21 Travel, conferences, and meetings	18,655.	18,655.		0.
	22 Printing and publications				
	23 Other expenses Stmt 8	5,671.	5,671.		0.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	545,529.	545,529.		0.
	25 Contributions, gifts, grants paid	1,902,830.			1,902,830.
	26 **Total expenses and disbursements.** Add lines 24 and 25	2,448,359.	545,529.		1,902,830.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-523,332.			
	b **Net investment income** (if negative, enter -0-)		1,596,201.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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12-05-12 LHA **For Paperwork Reduction Act Notice, see instructions.** Form **990-PF** (2012)

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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
Assets	1	Cash - non-interest-bearing			
	2	Savings and temporary cash investments	3,564,698.	554,148.	554,148.
	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 Stmt 10	5,046,208.	1,823,945.	1,787,557.
	b	Investments - corporate stock Stmt 11	13,523,241.	20,959,657.	21,235,391.
	c	Investments - corporate bonds Stmt 12	7,518,783.	6,512,528.	7,159,408.
	11	Investments - land, buildings, and equipment basis ▶ Less accumulated depreciation ▶			
	12	Investments - mortgage loans			
	13	Investments - other Stmt 13	6,954,319.	6,371,256.	6,558,657.
	14	Land, buildings, and equipment basis ▶ 190,485. Less accumulated depreciation ▶ 72,793.	117,692.	117,692.	2,741,870.
	15	Other assets (describe ▶ Statement 14)	42,200.	23,430.	23,430.
	16	**Total assets** (to be completed by all filers)	36,767,141.	36,362,656.	40,060,461.
Liabilities	17	Accounts payable and accrued expenses	408.		
	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)	408.	0.	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	0.	0.	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund	0.	0.	
	29	Retained earnings, accumulated income, endowment, or other funds	36,766,733.	36,362,656.	
	30	**Total net assets or fund balances**	36,766,733.	36,362,656.	
	31	**Total liabilities and net assets/fund balances**	36,767,141.	36,362,656.	

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	36,766,733.
2	Enter amount from Part I, line 27a	2	-523,332.
3	Other increases not included in line 2 (itemize) ▶ See Statement 9	3	119,255.
4	Add lines 1, 2, and 3	4	36,362,656.
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	36,362,656.

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				
b	See Attached Statement			
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	12,127,487.		12,349,199.	-221,712.

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				-221,712.

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 -221,712.

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	1,704,163.	35,589,445.	.047884
2010	1,726,612.	35,286,701.	.048931
2009	1,806,140.	34,169,289.	.052859
2008	1,873,800.	31,462,543.	.059557
2007	1,384,400.	25,252,377.	.054823

2	Total of line 1, column (d)	2	.264054
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	.052811
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	37,732,038.
5	Multiply line 4 by line 3	5	1,992,667.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	15,962.
7	Add lines 5 and 6	7	2,008,629.
8	Enter qualifying distributions from Part XII, line 4	8	1,902,830.

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)**			1	31,924.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b				
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)				
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			2	0.
3 Add lines 1 and 2			3	31,924.
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	31,924.
6 Credits/Payments				
a 2012 estimated tax payments and 2011 overpayment credited to 2012	6a	23,200.		
b Exempt foreign organizations - tax withheld at source	6b			
c Tax paid with application for extension of time to file (Form 8868)	6c			
d Backup withholding erroneously withheld	6d			
7 Total credits and payments Add lines 6a through 6d			7	23,200.
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** See Statement 15 ▶			9	8,724.
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	
11 Enter the amount of line 10 to be **Credited to 2013 estimated tax** ▶ **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 definition)? *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.*	1b		X
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 ▶ $ 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? *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) ▶ TX			
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 ▶ Robert J Gonzalez Telephone no ▶972-549-1605

Located at ▶361 Pine Valley Drive, Fairview, TX ZIP+4 ▶75069

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 N/A

			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

			Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
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 ▶ ______, ______, ______, ______			
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 ▶ ______, ______, ______, ______			
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.)* N/A	3b		
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)?	☐ 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.

(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
See Statement 18		245,000.	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
NONE		

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 N/A	
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 N/A	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 ▶	0.

Form **990-PF** (2012)

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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	34,784,670.
b	Average of monthly cash balances			1b	756,668.
c	Fair market value of all other assets			1c	2,765,300.
d	**Total** (add lines 1a, b, and c)			1d	38,306,638.
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	38,306,638.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)			4	574,600.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4			5	37,732,038.
6	**Minimum investment return.** Enter 5% of line 5			6	1,886,602.

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	1,886,602.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	31,924.		
b	Income tax for 2012 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	31,924.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	1,854,678.
4	Recoveries of amounts treated as qualifying distributions			4	0.
5	Add lines 3 and 4			5	1,854,678.
6	Deduction from distributable amount (see instructions)			6	0.
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	1,854,678.

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	1,902,830.
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	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,902,830.
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	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	1,902,830.

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				1,854,678.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			0.	
b Total for prior years ______ , ______ , ______		0.		
3 Excess distributions carryover, if any, to 2012				
a From 2007 1,384,400.				
b From 2008 353,382.				
c From 2009 137,480.				
d From 2010 4,440.				
e From 2011				
f **Total** of lines 3a through e	1,879,702.			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ $ 1,902,830.				
a Applied to 2011, but not more than line 2a			0.	
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				1,854,678.
e Remaining amount distributed out of corpus	48,152.			
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:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	1,927,854.			
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				0.
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	1,384,400.			
9 **Excess distributions carryover to 2013.** Subtract lines 7 and 8 from line 6a	543,454.			
10 Analysis of line 9				
a Excess from 2008 353,382.				
b Excess from 2009 137,480.				
c Excess from 2010 4,440.				
d Excess from 2011				
e Excess from 2012 48,152.				

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

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	Prior 3 years			
	(a) 2012	**(b)** 2011	**(c)** 2010	**(d)** 2009	**(e)** Total
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))

None

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

Shirley Gonzalez, 361 Pine Valley Drive, Fairview, TX 75069, 972-549-1605

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

Nature of Charity and Application of Funds

c Any submission deadlines

Reviewed Continuously

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

Section 501(c)(3) organizations primarily, but not necessarily located in Webb and Zapata Counties, Texas

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*				
Bethany House 819 Hidalgo St Laredo, TX 78040	None	Public	Operating fund	225,000.
Buckner Foundation 600 North Pearl St. Dallas, TX 75201	None	Public	Operating fund	62,000.
Children's Advocacy Center of Laredo - Webb County 111 N Merida Laredo, TX 78043	None	Public	Operating fund	20,000.
Diocese of Laredo 1901 Corpus Christi St Laredo, TX 78043	None	Public	Operating fund	91,000.
Azteca Economic Development and Preservation Corporation 20 Iturbide St Laredo, TX 78040	None	Public	Operating fund	25,000.
Total See continuation sheet(s)			▶ 3a	1,902,830.
b *Approved for future payment*				
Bethany House 819 Hidalgo St Laredo, TX 78040	None	Public	Operating fund	225,000.
Diocese of Laredo 1901 Corpus Christi St Laredo, TX 78043	None	Public	Operating fund	75,000.
The University of Texas Foundation, Inc PO Box 250 Austin, TX 787670250	None	Public	Operating fund	100,000.
Total See continuation sheet(s)			▶ 3b	768,000.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	(e) Related or exempt function income
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities	523000	1,390,485.			
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	523000	3,423.			
7 Other investment income	523000	747,822.			
8 Gain or (loss) from sales of assets other than inventory					-221,712.
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)		2,141,730.		0.	-221,712.

13 Total. Add line 12, columns (b), (d), and (e) 13 1,920,018.

(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)
	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

	8\21\13	TREASURER
Signature of officer or trustee	Date	Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self- employed	PTIN
Sylvan Biediger CPA		8/20/13		P00553102

Firm's name ▶ Sembera & Biediger PC, CPA's

Firm's EIN ▶ 74-2555523

Firm's address ▶ 6800 Park Ten Blvd., Ste 217-N
San Antonio, TX 78213-4215

Phone no (210) 736-2451

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No 1545-0047

2012

Name of the organization
The Guadalupe and Lilia Martinez Foundation

Employer identification number
74-3005930

Organization type (check one):

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of $5,000 or more during the year ▶ $ ____________

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization	Employer identification number
The Guadalupe and Lilia Martinez Foundation	74-3005930

Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	Guadalupe Martinez 2001 Trust 361 Pine Valley Dr Fairview, TX 75069	$ 5,009.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

Name of organization

The Guadalupe and Lilia Martinez Foundation

Employer identification number

74-3005930

Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

Name of organization	**Employer identification number**
The Guadalupe and Lilia Martinez Foundation	74-3005930

Part III *Exclusively* religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than $1,000 for the year. Complete columns (a) through (e) and the following line entry For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc , contributions of **$1,000 or less** for the year. (Enter this information once.) ▶ $

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

Form 990-PF Part VIII - List of Officers, Directors Trustees and Foundation Managers Statement 18

Name and Address	Title and Avrg Hrs/Wk	Compen- sation	Employee Ben Plan Contrib	Expense Account
Maria Louisa Sandlin 1617 Galveston St Laredo, TX 78043	V-President/Director 5.00	35,000.	0.	0.
Larry Sandlin 1617 Galveston St Laredo, TX 78043	V-President/Director 5.00	35,000.	0.	0.
Shirley Gonzalez 361 Pine Valley Dr Fairview, TX 75069	President/Director 25.00	52,500.	0.	0.
Robert Gonzalez 361 Pine Valley Dr Fairview, TX 75069	Treasurer/Director 35.00	40,000.	0.	0.
Robert J Gonzalez Jr 12218 Fall River Pass Lane Humble, TX 77346	V-President/Director 15.00	42,500.	0.	0.

Ana S Wasielewski 746 Cherry Blossom Lane Allen, TX 78002	Secretary/Director 15.00	40,000.	0.	0.
Totals included on 990-PF, Page 6, Part VIII		245,000.	0.	0.

The Guadalupe and Lilia Martinez Foundation

Continuation for 990-PF, Part IV
74-3005930 Page 1 of 1

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	AT&T Inc	P	02/02/09	09/14/12
b	ConocoPhillips	P	02/02/09	08/17/12
c	Federal Nat'l Mtg Assn	P	11/07/07	04/11/12
d	Pimco Commodity Real Return Strategic Instl	P	10/25/10	04/18/12
e	Pimco Low Duration Fd	P	07/28/10	05/29/12
f	Old Republic International Corp	P	11/17/11	05/15/12
g	Pimco Commodity Real Return Strategic Instl	P	06/17/11	04/18/12
h	Pimco Low Duration Fd	P	06/01/11	05/29/12
i	RS Investment Trust Low Duration Fd	P	08/22/11	02/09/12
j	Vanguard Dividend Appreciation ETF	P	01/10/12	10/23/12
k	GNMA 600144	P	06/14/07	08/09/12
l	GNMA 614596	P	09/24/07	08/09/12
m	K-1 Zapata National Bank	P		
n				
o				

	(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	529,413.		500,000.	29,413.
b	232,814.		220,717.	12,097.
c	500,000.		492,430.	7,570.
d	1,014,198.		1,390,874.	-376,676.
e	595,485.		604,293.	-8,808.
f	250,000.		251,375.	-1,375.
g	293,471.		334,333.	-40,862.
h	16,098.		15,997.	101.
i	6,122,000.		6,089,135.	32,865.
j	2,048,137.		2,004,791.	43,346.
k	165,418.		142,612.	22,806.
l	358,553.		302,642.	55,911.
m	1,900.			1,900.
n				
o				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
	(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				29,413.
b				12,097.
c				7,570.
d				-376,676.
e				-8,808.
f				-1,375.
g				-40,862.
h				101.
i				32,865.
j				43,346.
k				22,806.
l				55,911.
m				1,900.
n				
o				

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	-221,712.
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

223591
05-01-12

Part XV **Supplementary Information**

3 Grants and Contributions Paid During the Year (Continuation)

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
Dr. Leo Cigarroa High School 2600 Zacatecas Laredo, TX 78045	None	Public	Operating fund	7,000.
Families for Autism Support and Awareness PO Box 440851 Laredo, TX 780440851	None	Public	Operating fund	5,000.
Lucy Meriwether Chapter Nat'l Society Daughters of the American Revolution 6801 McPherson Rd, Suite 106 Laredo, TX 78041	None	Public	Operating fund	4,000.
Habitat for Humanity of Laredo - Webb County PO Box 440709 Laredo, TX 78044	None	Public	Operating fund	52,000.
Imaginarium of South Texas 5300 San Dario, Suite 505 Laredo, TX 78041	None	Public	Operating fund	20,000.
Junior Achievement of Laredo 1 West End Washington St.,P-11 Laredo, TX 78040	None	Public	Operating fund	21,000.
Juvenile Diabetes Research Foundation International 7913 McPherson, Suite 105 Laredo, TX 78045	None	Public	Operating fund	5,000.
Laredo Center for the Arts 500 San Agustin Laredo, TX 78040	None	Public	Operating fund	48,000.
Laredo Community College Education Foundation West End Washington St Laredo, TX 78040-4395	None	Public	Operating fund	222,000.
Laredo Diploma Plus Foundation, Inc 7917 McPerson Rd, Suite 205 Laredo, TX 78045-2812	None	Public	Operating fund	32,000.
Total from continuation sheets				1,479,830.

Part XV **Supplementary Information**

3 Grants and Contributions Paid During the Year (Continuation)

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
Laredo Musical Theater International PO Box 450497 Laredo, TX 780450011	None	Public	Operating fund	40,000.
Laredo Philharmaonic Orchestra Box 1399 Laredo, TX 78042	None	Public	Operating fund	35,000.
Make A Wish Foundation of America 3550 N Central Ste 300 Phoenix, AZ 85012	None	Public	Operating fund	10,000.
Mercy Ministries 2500 Zacatecas St Laredo, TX 780430169	None	Public	Operating fund	150,000.
Rio Grande International Study Center West End Washington St Laredo, TX 78040	None	Public	Operating fund	50,000.
River Pierce Foundation Box 249 San Ygnacio, TX 78067	None	Public	Operating fund	60,000.
Ruth B Cowl's Rehabilitation Center 1220 Malinche Ave Laredo, TX 78043	None	Public	Operating fund	37,500.
South Tex Council on Alcohol & Drug Abuse Box 3090 Laredo, TX 78044	None	Public	Operating fund	25,000.
Texas A&M International University 5201 University Boulevard Laredo, TX 78041-1900	None	Public	Operating fund	260,000.
The Association of Former Students Texas A&M University 505 George Bush Drive College Station, TX 77840	None	Public	Operating fund	1,000.
Total from continuation sheets				

Part XV **Supplementary Information**

3 Grants and Contributions Paid During the Year (Continuation)

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
The Salvation Army, South Texas/Rio Grande Valley 14038 Fairway Oaks San Antonio, TX 78217	None	Public	Operating fund	10,000.
The University of Texas Foundation, Inc PO Box 250 San Antonio, TX 78767-0250	None	Public	Operating fund	110,000.
United Day School 1701 San Isidro Parkway Laredo, TX 78045	None	Public	Operating fund	10,000.
Our Lady of the Lake University 411 S W 24th Street San Antonio, TX 78207	None	Public	Operating fund	10,000.
Webb County Heritage Foundation Box 446 Laredo, TX 78042-0446	None	Public	Operating fund	35,000.
Zapata High School 2009 State Highway 16 Zapata, TX 78076	None	Public	Operating fund	10,000.
PILLAR PO Box 1702 Laredo, TX 78040	None	Public	Operating fund	10,000.
Zapata Economic Development Corporation Zapata High Debate Camp PO Box 549 Zapata, TX 78076	None	Public	Operating fund	3,900.
South Texas Food Bank PO Box 2007 Laredo, TX 78044	None	Public	Operating fund	45,000.
Zapata Mariachi High 2009 State Highway 16 Zapata, TX 78076	None	Public	Operating fund	20,000.
Total from continuation sheets				

The Guadalupe and Lilia Martinez Foundation 74-3005930

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
Rancho La Union - The Guadalupe and Lilia Martinez Foundation 361 Pine Valley Drive Fairview, TX 75069	None	Private	Educational facility	131,430.
Total from continuation sheets				

223631
05-01-12

Part XV Supplementary Information

3 Grants and Contributions Approved for Future Payment (Continuation)

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
Habitat for Humanity of Laredo - Webb County PO Box 440709 Laredo, TX 78044	None	Public	Operating fund	52,000.
The Association of Former Students Texas A&M University 505 George Bush Drive College Station, TX 77840	None	Public	Operating fund	1,000.
River Pierce Foundation Box 249 San Ygnacio, TX 78067	None	Public	Operating fund	60,000.
Texas A&M International University 5201 University Boulevard Laredo, TX 78041-1900	None	Public	Operating fund	255,000.
Total from continuation sheets				368,000.

Form 990-PF Dividends and Interest from Securities Statement 1

Source	Gross Amount	Capital Gains Dividends	Column (A) Amount
CB Richard Ellis Realty Trust	4,361.	0.	4,361.
CNL Lifestyle	0.	0.	0.
Grubb & Ellis HC Trust	0.	0.	0.
Hines Reit	0.	0.	0.
Inland	6,823.	0.	6,823.
Linsco/Private Ledger	1,377,884.	0.	1,377,884.
Wells	0.	0.	0.
Zapata Bankshares	1,417.	0.	1,417.
Total to Fm 990-PF, Part I, ln 4	1,390,485.	0.	1,390,485.

Form 990-PF Rental Income Statement 2

Kind and Location of Property	Activity Number	Gross Rental Income
Rental - Zapata Bankshares	2	3,423.
Total to Form 990-PF, Part I, line 5a		3,423.

Form 990-PF Other Income Statement 3

Description	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
Royalties - Martinez 2001 Trust	566,945.	566,945.	
Ord Inc - Zapata Bankshares Inc	180,877.	180,877.	
Total to Form 990-PF, Part I, line 11	747,822.	747,822.	

Form 990-PF Legal Fees Statement 4

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Legal fees	3,427.	3,427.		0.
To Fm 990-PF, Pg 1, ln 16a	3,427.	3,427.		0.

Form 990-PF Accounting Fees Statement 5

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Accounting fees	11,500.	11,500.		0.
To Form 990-PF, Pg 1, ln 16b	11,500.	11,500.		0.

Form 990-PF Other Professional Fees Statement 6

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Investment fees	172,045.	172,045.		0.
To Form 990-PF, Pg 1, ln 16c	172,045.	172,045.		0.

Form 990-PF Taxes Statement 7

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Excise tax	23,166.	23,166.		0.
Payroll tax	17,354.	17,354.		0.
Property tax	48,015.	48,015.		0.
To Form 990-PF, Pg 1, ln 18	88,535.	88,535.		0.

Form 990-PF Other Expenses Statement 8

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Dues and subscriptions	798.	798.		0.
Continuing education	2,513.	2,513.		0.
Office expense	2,360.	2,360.		0.
To Form 990-PF, Pg 1, ln 23	5,671.	5,671.		0.

Form 990-PF Other Increases in Net Assets or Fund Balances Statement 9

Description	Amount
Tax-exempt interest	19,206.
Depletion	100,049.
Total to Form 990-PF, Part III, line 3	119,255.

Form 990-PF U.S. and State/City Government Obligations Statement 10

Description	U.S. Gov't	Other Gov't	Book Value	Fair Market Value
Federal Home Ln Mtg Corp	X		102,655.	109,279.
Federal National Mtg Assn	X		4,544.	13,721.
Federal National Mtg Assn 31407HV45	X		122,899.	132,160.
Federal Home Ln Mtg Corp 3128PLPJ5	X		126,629.	115,924.
Fedl Natl Mtg Assn 31392CHD9	X		231,620.	176,916.
Fedl Natl Mtg Assn 31394DTR1	X		111,468.	95,358.
Fedl Natl Mtg Assn 31402Q3J8	X		300,245.	315,182.
Government National Mtg Assn 36296RFF9	X		447,419.	463,738.
Federal Home Ln Mtg Corp 3128M1RB7	X		84,773.	81,187.
Federal National Mtg Assn 31404WTV8	X		291,693.	284,092.
Total U.S. Government Obligations			1,823,945.	1,787,557.
Total State and Municipal Government Obligations				
Total to Form 990-PF, Part II, line 10a			1,823,945.	1,787,557.

Form 990-PF Corporate Stock Statement 11

Description	Book Value	Fair Market Value
Zapata National Bank	1,591,899.	1,591,899.
Hartford Mutual Fds Floating Rate	2,966,514.	2,994,356.
RS Investment Trust Low Durati	3,062,496.	3,070,997.
Hartford Balanced Income Fd	2,693,017.	2,794,449.
Hartford Equity Income Fd	2,322,451.	2,365,991.
Ishares S&P	249,731.	249,606.
Lord Abbett Short Duration Income Fd	4,102,235.	4,155,141.
Oppenheimer Senior Floating Rate	2,969,801.	3,008,793.
Vanguard Total Bond Market	1,001,513.	1,004,159.
Total to Form 990-PF, Part II, line 10b	20,959,657.	21,235,391.

Form 990-PF Corporate Bonds Statement 12

Description	Book Value	Fair Market Value
Alcoa Inc	228,435.	270,635.
American Express Corp	295,847.	379,029.
Goldman Sachs Group Inc	291,274.	329,154.
Lincoln Natl Corp	205,939.	242,902.
Philip Morris International Inc	308,420.	323,028.
Prologis Note	223,817.	240,134.
Prudential Financial Inc	232,907.	279,371.
UBS AG Stamford Branch	287,565.	357,078.
Verizon Communications Inc Note	300,551.	304,107.
Caterpillar Financial Services	302,897.	312,951.
Caterpillar Financial Services	260,061.	325,515.
ConocoPhillips	80,196.	83,622.
General Electric Cap Corp	253,231.	296,883.
General Electric Cap Corp	500,096.	500,860.
Ford Motor Credit	253,410.	272,598.
Genworth Financial Inc	251,073.	264,433.
Genworth Financial Inc	242,632.	267,913.
Gannett Co Inc	525,322.	561,250.
Genworth Financial Inc	498,313.	525,550.
Regions Financial Corp	495,175.	505,000.
Royal Bk Scotland Group	475,367.	517,395.
Total to Form 990-PF, Part II, line 10c	6,512,528.	7,159,408.

Form 990-PF | Other Investments | Statement 13

Description	Valuation Method	Book Value	Fair Market Value
Wells Real Estate Investment Trust II	COST	828,270.	828,270.
Inland American Real Estate Trust	COST	849,331.	849,331.
CNL Lifestyle Properties, Inc	COST	739,793.	739,793.
Healthcare Trust of America	COST	644,486.	831,887.
CB Richard Ellis Real Estate Tr	COST	395,481.	395,481.
Hines Reit	COST	853,325.	853,325.
Cole Credit Property Trust II	COST	1,141,135.	1,141,135.
Cole Credit Property Trust III	COST	919,435.	919,435.
Total to Form 990-PF, Part II, line 13		6,371,256.	6,558,657.

Form 990-PF | Other Assets | Statement 14

Description	Beginning of Yr Book Value	End of Year Book Value	Fair Market Value
Federal Tax Deposits	42,200.	23,430.	23,430.
To Form 990-PF, Part II, line 15	42,200.	23,430.	23,430.

- 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).

Enter filer's identifying number, see instructions

Type or print

File by the due date for filing your return See instructions

Name of exempt organization or other filer, see instructions
The Guadalupe and Lilia Martinez Foundation

Employer identification number (EIN) or
74-3005930

Number, street, and room or suite no. If a P.O. box, see instructions.
361 Pine Valley Drive

Social security number (SSN)

City, town or post office, state, and ZIP code. For a foreign address, see instructions.
Fairview, TX 75069

Enter the Return code for the return that this application is for (file a separate application for each return) 0 4

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 ▶ Robert J Gonzalez
361 Pine Valley Drive - Fairview, TX 75069
Telephone No. ▶ 972-549-1605 FAX No. ▶
- 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.

4 I request an additional 3-month extension of time until November 15, 2013.

5 For calendar year 2012 , or other tax year beginning ______ , and ending ______.

6 If the tax year entered in line 5 is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

7 State in detail why you need the extension
Additional time is required to assemble accounting information necessary to file an accurate return.

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	$ 23,200.
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	$ 23,200.
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.

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 ▶ Date ▶