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

Department of the Treasury
Internal Revenue Service

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

Open to public inspection

For calendar year 2012 or tax year beginning

, and ending

Name of foundation THE LITMAN FOUNDATION		A Employer identification number 75-2892769
Number and street (or P O box number if mail is not delivered to street address) 3010 LBJ FREEWAY	Room/suite 748	B Telephone number 214-750-9006
City or town, state, and ZIP code DALLAS, TX 75234		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 28,047,827.	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
		(Part I, column (d) must be on cash basis)

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))</small>		(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				N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		61,659.	61,652.		STATEMENT 1
4 Dividends and interest from securities		425,701.	425,701.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		891,167.			
b Gross sales price for all assets on lines 6a		10,498,638.			
c Capital gain net income (from Part IV, line 2)			891,167.		
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		63,479.	63,479.		STATEMENT 3
12 Total. Add lines 1 through 11		1,442,006.	1,441,999.		
13 Compensation of officers, directors, trustees, etc		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees STMT 4		1,130.	565.		565.
c Other professional fees STMT 5		39,835.	37,070.		2,765.
17 Interest		9,269.	9,269.		0.
18 Taxes STMT 6		22,992.	9,992.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 7		219.	219.		0.
24 Total operating and administrative expenses Add lines 13 through 23		73,445.	57,115.		3,330.
25 Contributions, gifts, grants paid		1,476,000.			1,476,000.
26 Total expenses and disbursements. Add lines 24 and 25		1,549,445.	57,115.		1,479,330.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		<107,439.>			
b Net investment income (if negative, enter -0-)			1,384,884.		
c Adjusted net income (if negative, enter -0-)				N/A	

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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	3,575,940.	1,304,953.	1,304,953.
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	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			
	c Investments - corporate bonds			
11 Investments - land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other	STMT 8	25,470,091.	27,002,124.	26,742,874.
14 Land, buildings, and equipment: basis ▶				
Less accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers)		29,046,031.	28,307,077.	28,047,827.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)		0.	0.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	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		29,046,031.	28,307,077.	
30 Total net assets or fund balances		29,046,031.	28,307,077.	
31 Total liabilities and net assets/fund balances		29,046,031.	28,307,077.	

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	29,046,031.
2 Enter amount from Part I, line 27a	2	<107,439.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	28,938,592.
5 Decreases not included in line 2 (itemize) ▶ PRIOR PERIOD ADJUSTMENT	5	631,515.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	28,307,077.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE STMT D-1	P		
b SEE STMT D-1	P		
c SEE STMT D-2	P		
d CAPITAL GAINS DIVIDENDS			
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 1,867,814.		1,896,998.	<29,184.>
b 5,797,611.		5,355,627.	441,984.
c 646,958.		354,846.	292,112.
d 186,255.			186,255.
e			

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	
a			<29,184.>
b			441,984.
c			292,112.
d			186,255.
e			

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	891,167.
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	1,466,844.	27,292,201.	.053746
2010	1,397,607.	26,318,651.	.053103
2009	1,780,782.	24,449,522.	.072835
2008	2,095,328.	35,825,336.	.058487
2007	1,483,175.	42,993,665.	.034498

2 Total of line 1, column (d)	2	.272669
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	.054534
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	27,481,935.
5 Multiply line 4 by line 3	5	1,498,700.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	13,849.
7 Add lines 5 and 6	7	1,512,549.
8 Enter qualifying distributions from Part XII, line 4	8	1,519,330.

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 checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	13,849.
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	13,849.
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	13,849.
6 Credits/Payments:		
a 2012 estimated tax payments and 2011 overpayment credited to 2012	6a	8,695.
b Exempt foreign organizations - tax withheld at source	6b	
c Tax paid with application for extension of time to file (Form 8868)	6c	9,000.
d Backup withholding erroneously withheld	6d	
7 Total credits and payments. Add lines 6a through 6d	7	17,695.
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	77.
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	3,769.
11 Enter the amount of line 10 to be: Credited to 2013 estimated tax <input type="checkbox"/> 3,769. Refunded <input checked="" type="checkbox"/>	11	0.

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?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		X
1c Did the foundation file Form 1120-POL for this year?		X
2 Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities</i>		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? <i>If "Yes," attach a conformed copy of the changes</i>		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>		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?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV.</i>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> 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? <i>If "No," attach explanation</i>	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>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		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)	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? Website address ▶ <u>N/A</u>	13	X	
14	The books are in care of ▶ <u>DAVID S. LITMAN</u> Telephone no. ▶ <u>214-239-2666</u> Located at ▶ <u>3010 LBJ FREEWAY, SUITE 748, DALLAS, TX</u> ZIP+4 ▶ <u>75234</u>			
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 ▶ <u>15</u> <u>N/A</u>			
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 ▶	16	Yes	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.

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	X
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ _____, _____, _____		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) <u>N/A</u>	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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2012 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2012)	3b	X
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?	4b	X

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

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)? Yes No
 Organizations relying on a current notice regarding disaster assistance check here N/A

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No
 If "Yes," attach the statement required by Regulations section 53.4945-5(d) N/A

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
 If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(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
DAVID S. LITMAN 3010 LBJ FREEWAY, SUITE 748 DALLAS, TX 75234	DIRECTOR 5.00	0.	0.	0.
MALIA A. LITMAN 3010 LBJ FREEWAY, SUITE 748 DALLAS, TX 75234	DIRECTOR 5.00	0.	0.	0.
ROBERT B. DIENER 5521 GREENVILLE AVENUE, SUITE 104-540 DALLAS, TX 75206	DIRECTOR 0.00	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
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.

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	24,981,306.
b	Average of monthly cash balances	1b	2,919,136.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	27,900,442.
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	27,900,442.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	418,507.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	27,481,935.
6	Minimum investment return. Enter 5% of line 5	6	1,374,097.

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	1,374,097.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	13,849.
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	13,849.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,360,248.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	1,360,248.
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	1,360,248.

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	1,479,330.
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	SEE STATEMENT 9 40,000.
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,519,330.
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	13,849.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,505,481.

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				1,360,248.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			947,956.	
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: ▶ \$ 1,519,330.				
a Applied to 2011, but not more than line 2a			947,956.	
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				571,374.
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	0.			
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				788,874.
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 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				(e) Total
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities					
Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 Information Regarding Foundation Managers:

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

SEE STATEMENT 10

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:

DAVID & MALIA LITMAN

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

NO SPECIFIC FORM

c Any submission deadlines:

NONE

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

NONE

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				
VARIOUS CASH CONTRIBUTIONS - SEE STATEMENT 11	N/A	PUBLIC CHARITIES	VARIOUS	1,476,000.
Total				▶ 3a 1,476,000.
b Approved for future payment				
DOGWOOD CANYON AUDUBON CENTER 2904 SWISS AVENUE DALLAS, TX 75204	N/A	PUBLIC CHARITIES	EDUCATIONAL PROGRAMMING DEVELOPMENT	40,000.
Total				▶ 3b 40,000.

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

SOURCE	AMOUNT
VARIOUS	61,659.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	61,659.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
VARIOUS	611,956.	186,255.	425,701.
TOTAL TO FM 990-PF, PART I, LN 4	611,956.	186,255.	425,701.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
PARTNERSHIP INCOME (LOSS)	63,388.	63,388.	
OTHER INVESTMENT INCOME	91.	91.	
TOTAL TO FORM 990-PF, PART I, LINE 11	63,479.	63,479.	

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	1,130.	565.		565.
TO FORM 990-PF, PG 1, LN 16B	1,130.	565.		565.

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MANAGEMENT FEES	39,835.	37,070.		2,765.
TO FORM 990-PF, PG 1, LN 16C	39,835.	37,070.		2,765.

FORM 990-PF	TAXES			STATEMENT 6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
EXCISE TAX	13,000.	0.		0.
FOREIGN TAX	9,992.	9,992.		0.
TO FORM 990-PF, PG 1, LN 18	22,992.	9,992.		0.

FORM 990-PF	OTHER EXPENSES			STATEMENT 7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MISCELLANEOUS	219.	219.		0.
TO FORM 990-PF, PG 1, LN 23	219.	219.		0.

FORM 990-PF	OTHER INVESTMENTS		STATEMENT 8
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
MISCELLANEOUS INVESTMENTS	COST	27,002,124.	26,742,874.
TOTAL TO FORM 990-PF, PART II, LINE 13		27,002,124.	26,742,874.

FORM 990-PF

EXPLANATION OF CASH SET-ASIDE
PART XII, LINE 3B

STATEMENT 9

INFORMATION REQUIRED UNDER REG. SECTION 53.4942(A)-3(7)(II):

A) NATURE AND PURPOSE OF PROJECT - EDUCATIONAL PROGRAM DEVELOPMENT FOR THE DOGWOOD CANYON AUDUBON CENTER (ORGANIZATION INFORMATION INCLUDED IN PART XV LINE 3B).

B) ALL PAYMENTS INCLUDED IN THE SET-ASIDE WILL BE PAID BY YEAR-END 2017.

C) THE PROJECT WILL NOT BE COMPLETED BY YEAR-END 2012.

D) DISTRIBUTABLE AMOUNTS DETERMINED UNDER SECTION 4942(D) FOR ALL PAST TAX YEARS IN THE START-UP AND FULL PAYMENT PERIODS (2002 IS FIRST YEAR OF START-UP PERIOD):

2001	32,682
2002	309,071
2003	276,271
2004	1,826,356
2005	1,894,467
2006	2,021,231
2007	2,110,778
2008	1,780,345
2009	1,219,024
2010	1,303,118
2011	1,340,772

E) ACTUAL PAYMENTS MADE IN CASH OR ITS EQUIVALENT FOR EXEMPT PURPOSES:

2001	0
2002	58,173
2003	603,232
2004	294,976
2005	1,970,932
2006	1,923,198
2007	1,522,080
2008	2,106,250
2009	1,784,234
2010	1,410,422
2011	1,490,682

FORM 990-PF

PART XV - LINE 1A
LIST OF FOUNDATION MANAGERS

STATEMENT 10

NAME OF MANAGER

DAVID S. LITMAN

MALIA A. LITMAN

THE LITMAN FOUNDATION
 2012 FORM 990PF
 ID# 75-2892769
 PART XV 3a SUPPLEMENTARY INFORMATION

RECIPIENT	ADDRESS	FOUNDATION STATUS OF RECIPIENT	AMOUNT
Dallas Foundation	900 Jackson St, Ste 705, Dallas, TX 75202	MEDICAL RESEARCH	1,470,000 00
Florida Aids Walk	6255 W Sunset Blvd, 21st Floor, Los Angeles, CA 90028	EDUCATIONAL	400 00
Loma Prieta Home and School Club	Loma Prieta Elementary, 23800 Summit Road, Los Gatos, CA 75033	MEDICAL RESEARCH	100 00
Lone Star Ride Fighting Aids	P O Box 190537, Dallas, TX 75219	EDUCATIONAL	200 00
Jarmen Elementary School	9015 E 79th St, Tulsa, OK 74133	HUMANITARIAN	100 00
Holy Childhood Association	3424 Wishire Blvd, 3rd Floor, Los Angeles, CA 90010-2241	HUMANITARIAN	100 00
Best Buddies Friendship 5K	2904 Floyd St, Dallas, TX 75204	MEDICAL RESEARCH	5,000 00
National Multiple Sclerosis Society	8111 N Stadium Dr., Ste 100--Houston, TX 77054		
			<u>\$ 1,476,000.00</u>

LITMAN FOUNDATION
SUMMARY OF CAPITAL GAINS / LOSSES - 2012
TAX ID: 75-2892769

Name	Account	Date Acquired (Mo/Da/Yr)	Date Sold (Mo/Da/Yr)	Gross Sales Price	Cost	Gain or (Loss)
Short Term						
Fidelity	78760	Various	Various	1,260,687	1,227,805	32,882
Fidelity Porter	80284	Various	Various	164,825	169,995	(5,170)
Fidelity Porter	80284	Various	Various	49,427	95,209	(45,782)
JPM	5008	Various	Various	61,612	70,680	(9,068)
JPM	8006	Various	Various	69,219	62,328	6,891
MS-Non Mgd	109170	Various	Various	190,215	200,683	(10,467)
SB-Parametric	09138	Various	Various	20	18	2
MS - Parametric	108612	Various	Various	9,242	7,323	1,919
USAA	90649	Various	Various	28,556	30,424	(1,868)
Vanguard	94620	Various	Various	34,011	32,534	1,477
				1,867,814	1,896,998	(29,184)
Long Term						
JPM	5008	Various	Various	740,035	1,000,000	(259,965)
JPM	8006	Various	Various	28,672	26,452	2,220
Fidelity	78760	Various	Various	2,187,150	2,099,693	87,457
Fidelity Porter	80284	Various	Various	226,100	212,973	13,127
SB-Non-Mgd	10992	Various	Various	50,016	46,434	3,582
MS-Non Mgd	109170	Various	Various	371,013	369,278	1,735
Libertyview Opp Fd II		Various	Various	457,619		457,619
SB-Parametric	09138	Various	Various	5,654	4,341	1,313
MS - Parametric	108612	Various	Various	60,345	38,854	21,490
USAA	90649	Various	Various	247,613	263,807	(16,194)
Vanguard	94620	Various	Various	1,423,394	1,293,794	129,600
				5,797,611	5,355,627	441,984

THE LITMAN FOUNDATION
SUMMARY OF CAPITAL GAINS / LOSSES - 2012
TAX ID: 75-2892769

Name	Units	Date Acquired	Date Sold	Sales Price	Cost Basis	Cumulative Adjustment to Basis	Gain or (Loss)
Cedar Fair	2,600	Various	Various	74,455.01	47,981.78	(9,845.00)	36,318.23
El Paso Pipeline	3,600	Various	Various	117,230.30	110,303.36	(19,196.00)	26,122.94
Energy Trans Ptrs	500	Various	Various	23,640.24	19,985.33	(9,915.00)	13,569.91
Energy Trans Equity	1,600	Various	Various	61,861.60	42,081.93	(26,438.00)	46,217.67
Enterprise Prod Pts	1,300	Various	Various	63,234.75	32,359.60	(18,445.00)	49,320.15
EQT Midstream	1,000	Various	Various	30,027.52	21,000.00	(100.00)	9,127.52
MPLX	900	Various	Various	23,463.82	19,800.00	-	3,663.82
Nustar GP LLC	1,000	Various	Various	29,724.05	35,224.00	(4,299.00)	(1,200.95)
PVR (Penn Va)	600	Various	Various	14,197.92	15,349.15	(1,705.00)	553.77
Regency	800	Various	Various	18,000.25	16,591.04	(9,676.00)	11,085.21
Spectra	1,300	Various	Various	40,815.02	32,684.85	(9,618.00)	17,748.17
Western Gas	1,400	Various	Various	63,219.45	35,348.48	(6,394.00)	34,264.97
Williams Ptrs	1,400	Various	Various	87,087.64	55,213.39	(13,446.00)	45,320.25
Total				646,957.57	483,922.91	(129,077.00)	292,111.66