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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 05-01-2012 , and ending 04-30-2013

Name of foundation WALNUT FOUNDATION		A Employer identification number 20-1049109	
Number and street (or P O box number if mail is not delivered to street address) 4813 E Calle Jabali		B Telephone number (see instructions) (520) 747-4411	
City or town, state, and ZIP code Tucson, AZ 85711		C If exemption application is pending, check here <input type="checkbox"/>	
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change		<input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change	
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		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>	
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 499,098	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) (Part I, column (d) must be on cash basis.)	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>	

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) (see instructions))</small>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)				
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities.	10,438	10,438		
	5a Gross rents				
	b Net rental income or (loss) _____				
	6a Net gain or (loss) from sale of assets not on line 10	10,815			
	b Gross sales price for all assets on line 6a _____ 10,815				
	7 Capital gain net income (from Part IV , line 2)		10,815		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)				
	12 Total. Add lines 1 through 11	21,253	21,253		
	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	1,725	863		862
	c Other professional fees (attach schedule)	7,188	7,188		
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	410	272		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	100	100		
	24 Total operating and administrative expenses. Add lines 13 through 23	9,423	8,423		862
	25 Contributions, gifts, grants paid	22,500			22,500
	26 Total expenses and disbursements. Add lines 24 and 25	31,923	8,423		23,362
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-10,670			
	b Net investment income (if negative, enter -0-)		12,830		
	c Adjusted net income (if negative, enter -0-)				

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing	5,931	7,518	7,518
	2	Savings and temporary cash investments	16,926	39,152	39,152
	3	Accounts receivable  <u>981</u>			
		Less allowance for doubtful accounts  _____	1,044	981	981
	4	Pledges receivable  _____			
		Less allowance for doubtful accounts  _____			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule)  _____			
		Less allowance for doubtful accounts  _____			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)	90,330 	77,419	78,813
	b	Investments—corporate stock (attach schedule)	273,365 	256,328	307,344
	c	Investments—corporate bonds (attach schedule).	49,309 	44,837	51,123
	11	Investments—land, buildings, and equipment basis  _____			
		Less accumulated depreciation (attach schedule)  _____			
Liabilities	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	11,101 	11,101	14,167
	14	Land, buildings, and equipment basis  _____			
		Less accumulated depreciation (attach schedule)  _____			
	15	Other assets (describe  _____)			
	16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	448,006	437,336	499,098
	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
Net Assets or Fund Balances	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe  _____)			
	23	Total liabilities (add lines 17 through 22)		0	
		Foundations that follow SFAS 117, check here  <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here  <input checked="" type="checkbox"/> and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	448,006	437,336	
	30	Total net assets or fund balances (see page 17 of the instructions)	448,006	437,336	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	448,006	437,336	

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	448,006
2	Enter amount from Part I, line 27a	2	-10,670
3	Other increases not included in line 2 (itemize)  _____	3	
4	Add lines 1, 2, and 3	4	437,336
5	Decreases not included in line 2 (itemize)  _____	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	437,336

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)
1 a	Publicly Traded Securities	P	2001-01-01	2012-07-01
b				
c				
d				
e				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 10,815			10,815
b			
c			
d			
e			

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

(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a			10,815
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	10,815
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8		3	

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 page 18 of 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	24,897	458,340	0 05432
2010	21,024	508,749	0 04133
2009	23,293	443,945	0 05247
2008	25,366	456,432	0 05558
2007	27,036	510,735	0 05294

2 Total of line 1, column (d).	2	0 25662
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0 05133
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5.	4	479,432
5 Multiply line 4 by line 3.	5	24,607
6 Enter 1% of net investment income (1% of Part I, line 27b).	6	128
7 Add lines 5 and 6.	7	24,735
8 Enter qualifying distributions from Part XII, line 4.	8	23,362

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 VIExcise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a		Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1			
		Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)			
b		Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	257
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	
3		Add lines 1 and 2.		3	257
4		Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	
5		Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-		5	257
6		Credits/Payments			
a		2012 estimated tax payments and 2011 overpayment credited to 2012	6a		
b		Exempt foreign organizations—tax withheld at source	6b		
c		Tax paid with application for extension of time to file (Form 8868)	6c	150	
d		Backup withholding erroneously withheld	6d		
7		Total credits and payments Add lines 6a through 6d.		7	150
8		Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached		8	
9		Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed		9	107
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 <input type="checkbox"/>	Refunded <input type="checkbox"/>	11	

Part VII-AStatements Regarding Activities

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		Yes	No
		1a		No
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?			No
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.			
c	Did the foundation file Form 1120-POL for this year?.	1c		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS?	2		No
	If "Yes," attach a detailed description of the activities.			
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		No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?.	4a		No
b	If "Yes," has it filed a tax return on Form 990-T for this year?.	4b		No
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?	5		No
	If "Yes," attach the statement required by General Instruction T.			
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	Yes	
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	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> AZ _____			
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	Yes	
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		No
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		No

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		No
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	
Website address ▶N/A				
14	The books are in care of ▶Ann Jackson Telephone no ▶(520) 747-4411 Located at ▶4813 E Calle Jabali Tucson AZ ZIP +4 ▶85711			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —Check here ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year ▶	15		
16	At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		No
See instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes", enter the name of the foreign country ▶				

Part VII-B

Statements Regarding Activities for Which Form 4720 May Be Required

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

Part VII-B

Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to				
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
(3) Provide a grant to an individual for travel, study, or other similar purposes?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions).		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?		5b		No
Organizations relying on a current notice regarding disaster assistance check here.				
c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?				
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?				
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		6b		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?				
b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?		7b		No

Part VIII

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).				
(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Ann L Jackson	Sec/Treas	0		
4811 E Calle Jabali Tucson, AZ 85711	1 00			
M Charles Jackson	President	0		
4811 E Calle Jabali Tucson, AZ 85711	1 00			
2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."				
(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				
Total number of other employees paid over \$50,000.				

Part VIII

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

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

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

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

Part IX-A

Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1	
2	
3	
4	

Part IX-B

Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments. See page 24 of the instructions.	
3	

Total. Add lines 1 through 3.

Part X

Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities.	1a	479,443
b	Average of monthly cash balances.	1b	7,290
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	486,733
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	
3	Subtract line 2 from line 1d.	3	486,733
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	7,301
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	479,432
6	Minimum investment return. Enter 5% of line 5.	6	23,972

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	23,972
2a	Tax on investment income for 2012 from Part VI, line 5.	2a	257
b	Income tax for 2012 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	257
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	23,715
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	23,715
6	Deduction from distributable amount (see instructions).	6	
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1.	7	23,715

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	23,362
b	Program-related investments—total from Part IX-B.	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes.	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required).	3a	
b	Cash distribution test (attach the required schedule).	3b	
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	23,362
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions).	5	
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	23,362
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				23,715
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only.			21,726	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2012				
a From 2007.				
b From 2008.				
c From 2009.				
d From 2010.				
e From 2011.				
f Total of lines 3a through e.				
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ 23,362				
a Applied to 2011, but not more than line 2a			21,726	
b Applied to undistributed income of prior years (Election required—see instructions).				
c Treated as distributions out of corpus (Election required—see instructions).	0			
d Applied to 2012 distributable amount.				1,636
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b.				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.				
d Subtract line 6c from line 6b Taxable amount—see instructions				
e Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount—see instructions				
f Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013.				22,079
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions).				
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions). . .				
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a.				
10 Analysis of line 9				
a Excess from 2008. . . .				
b Excess from 2009. . . .				
c Excess from 2010. . . .				
d Excess from 2011. . . .				
e Excess from 2012. . . .				

Part XIVPrivate Operating Foundations (see instructions and Part VII-A, question 9)

1a

If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, enter the date of the ruling.

b

Check box to indicate whether the organization is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

☐ 4942(j)(3) or ☐ 4942(j)(5)

2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed.	Tax year	Prior 3 years			(e) Total
		(a) 2012	(b) 2011	(c) 2010	(d) 2009	
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 XVSupplementary Information (Complete this part only if the organization 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))

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

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 of the person to whom applications should be addressed

b

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

c

Any submission deadlines

d

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

Part XV

Supplementary Information (continued)

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year See Additional Data Table				
Total			3a	22,500
b Approved for future payment				
Total			3b	

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
f _____					
g Fees and contracts from government agencies					
2 Membership dues and assessments. . . .					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities. . . .			14	10,438	
5 Net rental income or (loss) from real estate					
a Debt-financed property.					
b Not debt-financed property.					
6 Net rental income or (loss) from personal property					
7 Other investment income.					
8 Gain or (loss) from sales of assets other than inventory			18	10,815	
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). .				21,253	
13 Total. Add line 12, columns (b), (d), and (e).			13		21,253

[illegible]

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?		Yes	No
a Transfers from the reporting foundation to a noncharitable exempt organization of			
(1) Cash.			No
(2) Other assets.			No
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization.			No
(2) Purchases of assets from a noncharitable exempt organization.			No
(3) Rental of facilities, equipment, or other assets.			No
(4) Reimbursement arrangements.			No
(5) Loans or loan guarantees.			No
(6) Performance of services or membership or fundraising solicitations.			No
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.			No
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 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

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 or fiduciary) is based on all information of which preparer has any knowledge.		
	<div style="border-bottom: 1px solid black; height: 1.2em; margin-bottom: 5px;"></div> Signature of officer or trustee	<div style="border-bottom: 1px solid black; height: 1.2em; margin-bottom: 5px;"></div> Date	<div style="border-bottom: 1px solid black; height: 1.2em; margin-bottom: 5px;"></div> Title

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

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed <input checked="checked" type="checkbox"/>	PTIN P00748581
MICHAEL J DEVRIES	MICHAEL J DEVRIES			
Firm's name <input checked="checked" type="checkbox"/>	HBL CPAs PC		Firm's EIN <input checked="checked" type="checkbox"/>	
	5656 E Grant Rd Ste 200			
Firm's address <input checked="checked" type="checkbox"/>	Tucson, AZ 85712		Phone no (520) 886-3181	

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
Sudanese Promise Fund 7735 N Sendero De Juana Tucson,AZ 85718	NONE	PUBLIC	General Charitable Purposes	3,000
Community Food Bank 3003 S Country Club Rd 221 Tucson,AZ 85713	None	Public	General Charitable Purposes	3,500
The Primavera Foundation Inc 702 S Sixth Avenue Tucson,AZ 85701	None	Public	General charitable purposes	3,500
Literacy Volunteers of Tucson 2850 E Speedway Tucson,AZ 85716	None	Public	General charitable purposes	2,000
La Pilita Association 420 S Main Tucson,AZ 85701	None	Public	General charitable purposes	2,000
Imago Dei Middle School P O Box 3056 Tucson,AZ 85702	None	Public	General charitable purposes	5,000
Casa Maria 401 E 26th Street Tucson,AZ 85713	None	Public	General charitable purposes	3,500
Total  3a				22,500

TY 2012 Accounting Fees Schedule**Name:** WALNUT FOUNDATION**EIN:** 20-1049109**Software ID:** 12000229**Software Version:** 2012v2.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Bookkeeping services	225	113	0	112
Accounting Fees	1,500	750	0	750

**TY 2012 Investments Corporate
Bonds Schedule****Name:** WALNUT FOUNDATION**EIN:** 20-1049109**Software ID:** 12000229**Software Version:** 2012v2.0

Name of Bond	End of Year Book Value	End of Year Fair Market Value
Corporate Bonds - see attached	44,837	51,123

**TY 2012 Investments Corporate
Stock Schedule****Name:** WALNUT FOUNDATION**EIN:** 20-1049109**Software ID:** 12000229**Software Version:** 2012v2.0

Name of Stock	End of Year Book Value	End of Year Fair Market Value
Preferred Stocks - see attached	5,469	5,911
Stocks - see attached	250,859	301,433

TY 2012 Investments Government Obligations Schedule

Name: WALNUT FOUNDATION

EIN: 20-1049109

Software ID: 12000229

Software Version: 2012v2.0

US Government Securities - End of

Year Book Value:

77,419

US Government Securities - End of

Year Fair Market Value:

78,813

**State & Local Government
Securities - End of Year Book
Value:**

**State & Local Government
Securities - End of Year Fair
Market Value:**

TY 2012 Investments - Other Schedule**Name:** WALNUT FOUNDATION**EIN:** 20-1049109**Software ID:** 12000229**Software Version:** 2012v2.0

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
Closed end funds - see attached	FMV	11,101	14,167

TY 2012 Other Expenses Schedule**Name:** WALNUT FOUNDATION**EIN:** 20-1049109**Software ID:** 12000229**Software Version:** 2012v2.0

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
BANK FEES	80	80		
AZ Corporation commission fees	20	20		

TY 2012 Other Professional Fees Schedule**Name:** WALNUT FOUNDATION**EIN:** 20-1049109**Software ID:** 12000229**Software Version:** 2012v2.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Investment fees	7,188	7,188	0	0

TY 2012 Taxes Schedule**Name:** WALNUT FOUNDATION**EIN:** 20-1049109**Software ID:** 12000229**Software Version:** 2012v2.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Foreign Taxes Paid	272	272		
Excise taxes	138			

Walnut Foundation
Investments held at end of year
4/30/2013

Holding	# of shares	Cost basis	Market Value
<u>CASH</u>			
Cash		8 75	8 75
RMA Money Mkt Portfolio		39,143 67	39,143 67
		39,152 42	39,152 42
<u>EQUITIES COMMON STOCK</u>			
American Intl Group Inc	284 000	9,127 13	11,763 28
Anglogold Ashanti Ltd	302 000	10,801 69	5,889 00
Aon PLC	116 000	5,689 51	7,000 60
Apache Corp	148 000	10,011 39	10,934 24
Applied Materials Inc	166 000	1,877 97	2,408 66
Barrick Gold Corp CAD	174 000	4,546 38	3,429 54
Ca Inc	567 000	13,991 99	15,291 99
Canadian Nat Resources Ltd	388 000	12,515 55	11,383 92
Capital One Fincl Corp	77 000	4,313 88	4,449 06
Cisco Systems Inc	504 000	8,456 68	10,543 68
Citigroup Inc	257 000	8,922 12	11,991 62
CVS Caremark Corp	121 000	3,836 13	7,039 78
EMC Corp Mass	128 000	2,990 57	2,871 04
General Motors Co	329 000	9,743 16	10,146 36
Goldman Sachs Group Inc	57 000	8,238 50	8,325 99
Halliburton Co	75 000	2,130 31	3,207 75
Hartford Fincl Services Group Inc	517 000	15,569 47	14,522 53
Ingersoll-Rand Plc	114 000	3,677 07	6,133 20
JP Morgan Chase & Co	120 000	3,405 62	5,881 20
Loews Corp	142 000	3,612 35	6,343 14
Metlife Inc	256 000	8,088 85	9,981 44
Microsoft Corp	323 000	7,747 13	10,691 30
Mosaic Co	68 000	3,727 91	4,188 12
NRG Energy Inc New	155 000	6,562 62	4,319 85
Occidental Petroleum Crp	48 000	4,125 36	4,284 48
Paccar Inc	117 000	4,136 10	5,824 26
Pfizer Inc	391 000	6,755 60	11,366 37
Philip Morris Intl Inc	35 000	1,229 69	3,345 65
Raytheon Co New	79 000	3,327 33	4,849 02
Sanofi Spon Adr	246 000	8,608 12	13,124 10
Talisman Energy Inc Cad	909 000	12,651 97	10,808 01
Teva Pharmaceuticals Ind Ltd	172 000	7,709 43	6,585 88
Time Warner Inc New	167 000	5,273 55	9,983 26
Union Pacific Corp	39 000	1,702 54	5,770 44
Unum Group	444 000	9,623 59	12,383 16
Viacom New CL B	171 000	6,948 62	10,942 29
Vodafone Group PLC	182 000	4,785 18	5,567 38
Well Fargo Co & new	207 000	4,397 49	7,861 86
		250,858 55	301,433 45

Walnut Foundation
Investments held at end of year
4/30/2013

Holding	# of shares	Cost basis	Market Value
<u>PREFERRED SECURITIES</u>			
Allstate Corp	131 000	3,341 08	3,484 60
US Bancorp Del Ser F Preferred	81 000	2,128 35	2,426 76
		5,469 43	5,911 36
<u>TOTAL CORPORATE STOCK</u>			
		256,327 98	307,344 81
<u>CORPORATE BONDS AND NOTES</u>			
American Intl Group Inc		5,956 68	6,679 44
Hewlett-Packard Co			
Genl Elec Co		5,981 50	7,074 12
Cna Finl Nts B/E		7,488 30	8,924 09
Goldman Sachs Group Inc		7,047 60	8,394 40
Motorola Inc		10,938 06	12,010 77
Wachovia Capital B/E		7,425 00	8,040 00
		44,837 14	51,122 82
<u>CLOSED END FUNDS & EXCHANGE TRADED PRODUCTS</u>			
Ishares Iboxx \$ Invt Gra De	116 000	11,100 58	14,167 08
<u>GOVERNMENT SECURITIES</u>			
US Treasury Note 8/31/13		6,995 90	7,000 56
US Treasury Note 9/30/13		6,996 99	7,001 12
US Treasury Note 10/31/13		7,004 13	7,005 46
US Treasury Note 3/31/14		7,002 45	7,007 14
US Treasury Note 5/31/14		5,001 95	5,005 45
US Treasury Note 9/15/14		8,950 67	9,008 46
US Treasury Note 3/15/15		3,987 81	4,012 20
US Treasury Note 2/29/16		7,060 71	7,360 36
US Treasury Note 9/30/16		7,128 22	7,146 02
US Treasury Note 2/28/17		7,047 19	7,110 46
US Treasury Note 1/31/19		4,063 75	4,095 92
US Treasury Note 2/15/21		6,178 83	7,059 36
		77,418 60	78,812 51
<u>ACCRUED INTEREST</u>			
			981 49
		428,836 72	491,581 13