9.14 AM

Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

▶ Do not enter Social Security numbers on this form as it may be made public.
▶ Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

OMB No 1545-0052
2013
Open to Public Inspection

For calendar year 2013 or tax year beginning , and ending

Name of foundation
PENN TREATY SPECIAL SERVICES DISTRICT

A Employer identification number
27-0368388

Number and street (or P O box number if mail is not delivered to street address)
702 N. 3RD STREET

Room/suite
PMB 38

B Telephone number (see instructions)
267-251-2704

City or town, state or province, country, and ZIP or foreign postal code
PHILADELPHIA PA 19123

C If exemption application is pending, check here ▶ [ ]

G Check all that apply [ ] Initial return [ ] Initial return of a former public charity
[ ] Final return [ ] Amended return
[X] Address change [ ] Name change

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

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

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ $ 437,569

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

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ [ ]

SCANNED AUG 07 2014

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Part I	**Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue					
1	Contributions, gifts, grants, etc , received (attach schedule)	500,000			
2	Check ▶ [ ] if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments	2,435	2,435	2,435	
4	Dividends and interest from securities				
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10				
b	Gross sales price for all assets on line 6a				
7	Capital gain net income (from Part IV, line 2)		0		
8	Net short-term capital gain			0	
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss) (attach schedule)				
11	Other income (attach schedule)				
12	**Total.** Add lines 1 through 11	502,435	2,435	2,435	
Operating and Administrative Expenses					
13	Compensation of officers, directors, trustees, etc	0			
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule) See Stmt 1	7,353			
b	Accounting fees (attach schedule) Stmt 2	23,900			
c	Other professional fees (attach schedule) Stmt 3	2,989			
17	Interest				
18	Taxes (attach schedule) (see instructions) Stmt 4	2,013			
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (att sch) Stmt 5 Stmt 6	2,624			
24	**Total operating and administrative expenses.** Add lines 13 through 23	38,879	0	0	0
25	Contributions, gifts, grants paid	566,102			566,102
26	**Total expenses and disbursements.** Add lines 24 and 25	604,981	0	0	566,102
27	Subtract line 26 from line 12.				
a	**Excess of revenue over expenses and disbursements**	-102,546			
b	**Net investment income** (if negative, enter -0-)		2,435		
c	**Adjusted net income** (if negative, enter -0-)			2,435	

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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash – non-interest-bearing			
	2	Savings and temporary cash investments	539,232	437,569	437,569
	3	Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (att schedule) ▶ Less allowance for doubtful accounts ▶ 0			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments – U S and state government obligations (attach schedule)			
	b	Investments – corporate stock (attach schedule)			
	c	Investments – corporate bonds (attach schedule)			
	11	Investments – land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch) ▶			
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule)			
	14	Land, buildings, and equipment basis ▶ 13,250 Less accumulated depreciation (attach sch) ▶ Stmt 7 3,606	10,527	9,644	
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers – see the instructions Also, see page 1, item I)	549,759	447,213	437,569
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 (attach schedule)			
	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 ▶ [X] and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted	549,759	447,213	
	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			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see instructions)	549,759	447,213	
	31	**Total liabilities and net assets/fund balances** (see instructions)	549,759	447,213	

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	549,759
2	Enter amount from Part I, line 27a	2	-102,546
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	447,213
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	447,213

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	N/A			
b				
c				
d				
e				

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

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

	(i) 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				

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	
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 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))
2012	411,644		
2011	449,297		
2010	257,000		
2009			
2008			

2 **Total** of line 1, column (d)	2	
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	
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	0
5 Multiply line 4 by line 3	5	
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	24
7 Add lines 5 and 6	7	24
8 Enter qualifying distributions from Part XII, line 4	8	566,102

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)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b		1	24
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	24
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	24
6	Credits/Payments:			
a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a		
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	
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** ▶		9	24
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 2014 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 the definition)?	1b		X
	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		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ______ **(2)** On foundation managers ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ______			
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) ▶ PA			
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 2013 or the taxable year beginning in 2013 (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 Stmt 8	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 ▶ PENNTREATYSSD.COM

14 The books are in care of ▶ ANNE MCKENNA Telephone no ▶
2324 E. SERGEANT ST
Located at ▶ PHILADELPHIA PA ZIP+4 ▶ 19125

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 |

			Yes	No
16	At any time during calendar year 2013, 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

	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?	☐ 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 2013?	N/A	1c		
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 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013?	☐ Yes ☒ 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)	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 ▶ 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?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2013 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 2013)	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 2013?		4b		X

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

5a	During the year did the foundation pay or incur any amount to:				
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes ☒ No			
	(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	☐ Yes ☒ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes ☒ No			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)	☐ Yes ☒ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	☐ Yes ☒ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?	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 (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
See Statement 9				

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 ▶ 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 (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 See Statement 10	
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 N/A	
2	
All other program-related investments See 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	0
b	Average of monthly cash balances	1b	0
c	Fair market value of all other assets (see instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	0
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	0
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	0
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	0
6	**Minimum investment return.** Enter 5% of line 5	6	0

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ [X] and do not complete this part)

1	Minimum investment return from Part X, line 6	1	
2a	Tax on investment income for 2013 from Part VI, line 5 2a		
b	Income tax for 2013 (This does not include the tax from Part VI) 2b		
c	Add lines 2a and 2b	2c	
3	Distributable amount before adjustments Subtract line 2c from line 1	3	
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	
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	

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	566,102
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	566,102
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	24
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	566,078

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 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7					
2 Undistributed income, if any, as of the end of 2013.					
a Enter amount for 2012 only					
b Total for prior years. 20 ____ , 20 ____ , 20 ____					
3 Excess distributions carryover, if any, to 2013:					
a From 2008					
b From 2009					
c From 2010					
d From 2011					
e From 2012					
f **Total** of lines 3a through e					
4 Qualifying distributions for 2013 from Part XII, line 4 ▶ $ 566,102					
a Applied to 2012, but not more than line 2a					
b Applied to undistributed income of prior years (Election required – see instructions)					
c Treated as distributions out of corpus (Election required – see instructions)					
d Applied to 2013 distributable amount					
e Remaining amount distributed out of corpus		566,102			
5 Excess distributions carryover applied to 2013 (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		566,102			
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 2012 Subtract line 4a from line 2a. Taxable amount – see instructions					
f Undistributed income for 2013 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2014					
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 2008 not applied on line 5 or line 7 (see instructions)					
9 **Excess distributions carryover to 2014.** Subtract lines 7 and 8 from line 6a					
10 Analysis of line 9.					
a Excess from 2009					
b Excess from 2010					
c Excess from 2011					
d Excess from 2012					
e Excess from 2013					

Part XIV Private 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 2013, enter the date of the ruling ▶ N/A

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

	Tax year (a) 2013	Prior 3 years (b) 2012	(c) 2011	(d) 2010	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	0				0
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed	566,102	411,644	449,337	257,000	1,684,083
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	566,102	411,644	449,337	257,000	1,684,083
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test – enter:					
(1) Value of all assets	447,212	549,759	474,352	428,560	1,899,883
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)	437,568	539,232	462,942	416,267	1,856,009
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) N/A					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) N/A					
(3) Largest amount of support from an exempt organization N/A					
(4) Gross investment income N/A					

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).)

N/A

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

N/A

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 address of the person to whom applications should be addressed

DELORES GRIFFITH
702 N. 3RD STREET PMB 38 PHILADELPHIA PA 19123

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

See Statement 11

c Any submission deadlines

MONTHLY

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

See Statement 12

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year See Statement 13				566,102
Total			▶ **3a**	566,102
b Approved for future payment N/A				
Total			▶ **3b**	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income (See instructions)
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			14	2,435	
4 Dividends and interest from securities					
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					
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)		0		2,435	0

13 Total. Add line 12, columns (b), (d), and (e) 13 2,435

(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). (See instructions)
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

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

[signature] | 7/23/14 | CHAIRMAN

Signature of officer or trustee | Date | Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed
JOSEPH S. BRUNNER	JOSEPH S. BRUNNER	07/03/14	
Firm's name ▶ FAKTOROW, BARNETT & BRUNNER, LLC, CPAS		PTIN	P00454627
Firm's address ▶ 100B CENTRE BOULEVARD MARLTON, NJ 08053-4128		Firm's EIN ▶ 22-3345709	Phone no 856-810-2160

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.**
▶ **Information about Schedule B (Form 990, 990-EZ, 990-PF) and its instructions is at www.irs.gov/form990.**

OMB No 1545-0047

2013

Name of the organization	**Employer identification number**
PENN TREATY SPECIAL SERVICES DISTRICT	27-0368388

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 its Form 990-PF, Part I, line 2, 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
PENN TREATY SPECIAL SERVICES	27-0368388

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	HSP GAMING, L.P. DBA "THE SUGARHOUSE CASINO" 1001 N. DELAWARE AVENUE PHILADELPHIA PA 19125	$ 500,000	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Legal Fees	$ 7,353	$	$	$
Total	$ 7,353	$ 0	$ 0	$ 0

Statement 2 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Accounting Fees	$ 23,900	$	$	$
Total	$ 23,900	$ 0	$ 0	$ 0

Statement 3 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Other Professional Fees	$ 2,989	$	$	$
Total	$ 2,989	$ 0	$ 0	$ 0

Statement 4 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
PENNSYLVANIA TAXES	$ 950	$	$	$
INTERNAL REVENUE SERVICE	1,063			
Total	$ 2,013	$ 0	$ 0	$ 0

Federal Statements

Statement 5 - Form 990-PF, Part I, Line 23 - Amortization

Description	Date Acquired	Cost Basis	Prior Year Amortization	Life	Current Year Amortization	Net Investment Income	Adjusted Net Income	COGS
ORGANIZATIONAL COSTS	12/01/09	$ 13,250	$ 2,723	15	$ 883	$	$	
Total		$ 13,250	$ 2,723		$ 883	$ 0	$ 0	

Statement 6 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$	$	$	$
Expenses				
INSURANCE	1,180			
OFFICE SUPPLIES	561			
Total	$ 1,741	$ 0	$ 0	$ 0

Statement 7 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
	$ 10,527	$ 13,250	$ 3,606	$
Total	$ 10,527	$ 13,250	$ 3,606	$ 0

Federal Statements

Statement 8 - Form 990-PF, Part VII-A, Line 10 - Substantial Contributors

Name	Address	City, State, Zip
HSP GAMING, L.P.	1001 N. DELAWARE AVENUE	PHILADELPHIA PA 19125

Statement 9 - Form 990-PF, Part VIII, Line 1 - List of Officers, Directors, Trustees, Etc.

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
ENRICO ANGELI 919 NORTH HANCOCK ST PHILADELPHIA PA 19123	CHAIRMAN	2.00	0	0	0
TIM BRESLIN 314 E. RICHMOND ST PHILADELPHIA PA 19125	VICE CHAIR	2.00	0	0	0
DOLORES GRIFFITH 1037 E. PALMER ST PHILADELPHIA PA 19125	SECRETARY	2.00	0	0	0
JOHN MOORE 1306 B N. 3RD STREET PHILADELPHIA PA 19122	TREASURER	2.00	0	0	0
ANNE MCKENNA 2324 E. SERGEANT ST PHILADELPHIA PA 19125	BOARD MEMBER	2.00	0	0	0
RICH LEVINS 1334 E. MONTGOMERY AVE. PHILADELPHIA PA 19125	BOARD MEMBER	2.00	0	0	0
KEVIN KELLY 919 NORTH FRONT ST UNIT D PHILADELPHIA PA 19125	BOARD MEMBER	2.00	0	0	0

Statement 10 - Form 990-PF, Part IX-A, Line 1 - Summary of Direct Charitable Activities

Description
THE ORGANIZATION FORMED A SPECIAL SERVICES DISTRICT FOR THE PURPOSE WITHOUT LIMITATION OF MAINTAINING AND IMPROVING SERVICES, MAKING PHYSICAL IMPROVEMENTS AND SPONSORING COMMUNITY ACTIVITIES IMPORTANT TO THE RESIDENTS AND BUSINESS WITHIN THE NEIGHBORING COMMUNITY. DURING 2013 THE ORGANIZATION ISSUED GRANTS/SPONSORSHIPS TOTALING $ 566,102 RELATED TO THE ORGANIZATION'S TAX EXEMPT PURPOSE. THE GRANTS/SPONSORSHIPS WERE MADE TO QUALIFIED ENTITIES WITHIN THE NEIGHBORHOODS SURROUNDING THE SUGARHOUSE CASINO DEVELOPMENT.

Statement 11 - Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description
APPLICANTS MUST FILL OUT A GRANT REQUEST FORM. OTHER DOCUMENTS TO BE INCLUDED WITH THE GRANT REQUEST FORM ARE: BUDGETS, QUOTES, ARTICLES, LETTERS OF RECOMENDATION AND PICTURES

Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description
MONTHLY

Statement 12 - Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description
GRANTS ARE RESTRICTED TO NON-PROFIT ORGANIZATIONS AND GROUPS LOCATED IN OR AROUND THE FOLLOWING "NEIGHBORHOODS" WITHIN THE CITY OF PHILADELPHIA: FISHTOWN, NORTHERN LIBERTIES, OLD RICHMOND AND SOUTH KENSINGTON

Federal Statements

Statement 13 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Name / Address	Address / Relationship	Status	Purpose	Amount
NLARTS PHILADELPHIA PA 19123	700 N. 3RD STREET		NEIGHBORHOOD IMPROVEMENT GRANT	12,000
STAN THE CUTMAN MEMORIAL FIELD PHILADELPHIA PA 19125	1800 BLAIR STREET, REAR		NEIGHBORHOOD IMPROVEMENT GRANT	44,130
SAVING HALLOWED GROUND WAYNE PA 19087	401 EAST LANCASTER AVENUE		NEIGHBORHOOD IMPROVEMENT GRANT	10,000
LADIES ANCIENT ORDER OF HIBERNIANS PHILADELPHIA PA 19125	2654 SALMON STREET		NEIGHBORHOOD IMPROVEMENT GRANT	9,000
LACEY GALLAGHER MEMORIAL PHILADELPHIA PA 19125	2657 ALMOND STREET		NEIGHBORHOOD IMPROVEMENT GRANT	2,500
FISHTOWN ACTION			NEIGHBORHOOD IMPROVEMENT GRANT	3,500
ROCK TO THE FUTURE PHILADELPHIA PA 19125	219 MERCER ST		NEIGHBORHOOD IMPROVEMENT GRANT	10,000
EAST KENSINGTON NEIGHBORS ASSOCIATI PHILADELPHIA PA 19125	2439 AMBER ST		NEIGHBORHOOD IMPROVEMENT GRANT	3,000
954 DANCE MOVEMENT COLLECTIVE PHILADELPHIA PA 19123	954 N 8TH ST		NEIGHBORHOOD IMPROVEMENT GRANT	2,000
ST LAURENTIUS SCHOOL PHILADELPHIA PA 19125	1612 E BERKS ST		NEIGHBORHOOD IMPROVEMENT GRANT	5,000
FRIENDS OF PENN TREATY PARK PHILADELPHIA PA 19125	BOX 3714		NEIGHBORHOOD IMPROVEMENT GRANT	30,000
JOE HAND BOXING GYM & CPU LAB PHILADELPHIA PA 19123	547 NORTH 3RD ST		NEIGHBORHOOD IMPROVEMENT GRANT	25,000
FISHTOWN AC PHILADELPHIA PA 19125	1800 BLAIR ST		NEIGHBORHOOD IMPROVEMENT GRANT	50,000
LASALLE ACADEMY PHILADELPHIA PA 19122	1434 NORTH 2ND STREET		NEIGHBORHOOD IMPROVEMENT GRANT	13,980
WE CAR SOCCER CAMP PHILADELPHIA PA 19125	605 MILLER ST		NEIGHBORHOOD IMPROVEMENT GRANT	5,000
NORTHERN LIBERTIES NEIGHBORS ASSOC PHILADELPHIA PA 19123	700 N. 3RD ST		NEIGHBORHOOD IMPROVEMENT GRANT	3,000
ST PETER THE APOSTLE SCHOOL PHILADELPHIA PA 19123	1009 NORTH FIFTH ST		NEIGHBORHOOD IMPROVEMENT GRANT	2,500
PALMER CEMETERY PHILADELPHIA PA 19125	1319 E. MONTGOMERY AVE		NEIGHBORHOOD IMPROVEMENT GRANT	2,500

Statement 13 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name / Address	Address / Relationship / Status	Purpose	Amount
ST LAURENTIUS SCHOOL PHILADELPHIA PA 19125	1612 E. BERKS ST	NEIGHBORHOOD IMPROVEMENT GRANT	20,000
KENSINGTON MEMORIAL AMVETS POST 146 PHILADELPHIA PA 19125	2502-04 E. SEGEANT ST	NEIGHBORHOOD IMPROVEMENT GRANT	20,000
SOUTH KENSINGTON COMMUNITY PTRS PHILADELPHIA PA 19122	1301 N. 2ND ST	NEIGHBORHOOD IMPROVEMENT GRANT	25,000
ST LAURENTIUS SCHOOL PHILADELPHIA PA 19125	1612 E. BERKS ST	NEIGHBORHOOD IMPROVEMENT GRANT	2,000
FISHTOWN NEIGHBORS ASSOCIATION PHILADELPHIA PA 19123	PO BOX 29292	NEIGHBORHOOD IMPROVEMENT GRANT	25,000
PENN HOME PHILADELPHIA PA 19125	1401 EAST SUSQUEHANNA AVE	NEIGHBORHOOD IMPROVEMENT GRANT	25,000
FRIENDS OF HETZELL PLAYGROUND PHILADELPHIA PA 19125	1800 BLAIR ST	NEIGHBORHOOD IMPROVEMENT GRANT	20,000
STARBOARD SIDE GALLERY & STUDIOS PHILADELPHIA PA 19125	2531 E. LEHIGH AVE	NEIGHBORHOOD IMPROVEMENT GRANT	4,500
NEW KENSINGTON COMMUNITY DEVELOPMEN PHILADELPHIA PA 19125	2515 FRANKFORD AVE	NEIGHBORHOOD IMPROVEMENT GRANT	41,492
KENSINGTON BURIAL GROUND - PLAMER PHILADELPHIA PA 19123	1401 EAST PALMER STREET	NEIGHBORHOOD IMPROVEMENT GRANT	50,000
NEW KENSINGTON CDC PHILADELPHIA PA 19125	1800 BLAIR ST	NEIGHBORHOOD IMPROVEMENT GRANT	2,500
SPOOKY GARDEN PHILADELPHIA PA 19123	1110 N 4TH STREET	NEIGHBORHOOD IMPROVEMENT GRANT	2,000
INLIQUID PHILADELPHIA PA 19122	1400 N AMERICAN ST S 314	NEIGHBORHOOD IMPROVEMENT GRANT	10,000
B SOMEDAY PRODUCTIONS PHILADELPHIA PA 19123	2509 FRANKFORD AVE	NEIGHBORHOOD IMPROVEMENT GRANT	2,500
THE LYRA SOCIETY PHILADELPHIA PA 19123	999 NORTH 6TH ST	NEIGHBORHOOD IMPROVEMENT GRANT	13,000
NEUMANN SENIOR HOUSING PHILADELPHIA PA 19125	1601 PALMER ST	NEIGHBORHOOD IMPROVEMENT GRANT	20,000
ST ANNE'S BINGO PHILADELPHIA PA 19125	MEMPHIS & TUCKER STS	NEIGHBORHOOD IMPROVEMENT GRANT	5,000
ST ANNE REUNION COMMITTEE PHILADELPHIA PA 19123	2328 E LEHIGH AVE	NEIGHBORHOOD IMPROVEMENT GRANT	35,000

Federal Statements

Statement 13 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name / Address	Address / Relationship	Status	Purpose	Amount
ST LAURENTIUS CYO PHILADELPHIA PA 19125	701 GAUL ST		NEIGHBORHOOD IMPROVEMENT GRANT	10,000
Total				566,102

9 14 AM

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization

(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545-0172

2013

Attachment Sequence No **179**

Name(s) shown on return: PENN TREATY SPECIAL SERVICES DISTRICT

Identifying number: 27-0368388

Business or activity to which this form relates: Indirect Depreciation

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property Enter the amount from line 29	7	

8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2012 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2014 Add lines 9 and 10, less line 12 ▶ 13		

Note: Do not use Part II or Part III below for listed property Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2013	17	0
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B—Assets Placed in Service During 2013 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only–see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2013 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V **Listed Property** (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? Yes No **24b** If "Yes," is the evidence written? Yes No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						25		
26 Property used more than 50% in a qualified business use.								
		%						
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L-		
		%				S/L-		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						28		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (**do not** include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions)

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2013 tax year (see instructions):					
43 Amortization of costs that began before your 2013 tax year				43	883
44 **Total.** Add amounts in column (f) See the instructions for where to report				44	883

Taxable Interest on Investments

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code	US Obs ($ or %)
INTEREST	$ 2,435		14		
Total	$ 2,435				

Faktorow, Barnett
& Brunner, LLC
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Penn Treaty Special Services District

We have audited the accompanying financial statement of Penn Treaty Special Services District (a nonprofit organization) which comprise the statement of assets, liabilities, and net assets - income tax basis as of December 31, 2013, the related statement of revenue, expenses and changes in net assets - income tax basis for the year then ended and the related notes to the financial statements

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting Penn Treaty Special Services District used for income tax basis purposes, this includes determining that the income tax basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit We conducted our audit in accordance with auditing standards generally accepted in the United States of America Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error In making those risk assessments, the auditor considers internal control relevant to the Penn Treaty Special Services District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Penn Treaty Special Services District's internal control Accordingly, we express no such opinion An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liability, and net assets of Penn Treaty Special Services District as of December 31, 2013 and its revenues, expenses and changes in net assets for the year then ended in accordance with the basis of accounting Penn Treaty Special Services District uses for income tax purposes described in the notes.

Basis of Accounting

We draw attention to the notes of the financial statements, which describes the basis of accounting. The financial statements are prepared on the basis of accounting Penn Treaty Special Services District uses for income tax purposes, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

FAKTOROW, BARNETT & BRUNNER, L.L.C.

Faktorow, Barnett + Brunner, L.L.C

Certified Public Accountants
Marlton, NJ
July 1, 2014

PENN TREATY SPECIAL SERVICES DISTRICT
STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS - INCOME TAX BASIS
DECEMBER 31, 2013

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

ASSETS	
CURRENT ASSETS	
Cash	$ 437,569
OTHER ASSETS	
Organization costs (net of accumulated amortization of $3,606)	9,644
TOTAL ASSETS	$ 447,213
LIABILITIES AND NET ASSETS	
LIABILITIES	$ -
NET ASSETS	
Unrestricted	447,213
TOTAL LIABILITIES AND NET ASSETS	$ 447,213

PENN TREATY SPECIAL SERVICES DISTRICT
STATEMENT OF REVENUES AND EXPENSES AND
CHANGES IN NET ASSETS - INCOME TAX BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

REVENUES AND OTHER SUPPORT	
Contributions	$ 500,000
Interest income	2,435
TOTAL REVENUES AND OTHER SUPPORT	502,435
EXPENSES	
Program	
Grants	523,102
Sponsorships	43,000
	566,102
Management and general	
Accounting	23,900
Amortization	883
Insurance	1,180
Legal	7,353
Office supplies	561
Outside contract services	2,989
Taxes	2,012
	38,878
TOTAL EXPENSES	604,980
DECREASE IN NET ASSETS	(102,545)
NET ASSETS, beginning of year	549,758
NET ASSETS, end of year	$ 447,213

NATURE OF ACTIVITIES AND CREDIT CONCENTRATION

PENN TREATY SPECIAL SERVICES DISTRICT (the "Organization") is a nonprofit organization incorporated under the laws of Pennsylvania in 2009 and is exempt from income tax under section 501(c)(3) of the Internal Revenue Code. Penn Treaty Special Services District was formed pursuant to a Community Benefits Agreement relating to the Sugarhouse Casino (the "Casino") development located on Delaware Avenue in Philadelphia. The Casino and the Organization, which is comprised of representatives from the surrounding neighborhoods, are the parties to the agreement. The prime purpose of the Organization is to administer the mandates of the Community Benefits Agreements, which among other things, stipulates the amount of current and future payments that the Casino must contribute to the Organization. The Organization must use the funds to address the impacts of casino development and maximize the benefits of such a development for the benefit of the "Special Services District". The Special Services District is defined as the surrounding neighborhoods comprised of Fishtown, Northern Liberties, Old Richmond, and South Kensington, all in the city of Philadelphia. The Organization is nonpolitical and nonsectarian.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statement of Penn Treaty Special Services District has been prepared on the income tax basis of accounting using a modified cash method. Consequently, certain revenues/contributions are recognized when they are received as opposed to when they are earned/pledged and expenses are recognized when the obligation is paid as opposed to when the costs are incurred.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as unrestricted contributions. All donor-restricted contributions are reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Support, Receipts, Expenditures and Changes in Net Assets as net assets released from restrictions.

Use of Estimates

The preparation of financial statements in conformity with the income tax basis of accounting may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Advertising

The Organization follows the policy of charging the costs of advertising to expense as incurred.

Amortization

The Organization recorded organization costs in the amount of $13,250 which was paid for by the Casino as dictated by the Community Benefits Agreement. As such, the Organization recognized $13,250 as contributions received in 2009 and is amortizing the costs over a period of 180 months, on the straight-line method, which started on December 1, 2009.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributed Services

The Organization's sole source of funding currently comes from contractual contributions by the Casino, In 2013, the Casino contributed $500,000 in cash, fully satisfying the terms of the agreement as of December 31, 2013. The success of the Organization in meeting its purpose currently depends on the Officers and Board of Directors, who are currently providing their time on a volunteer basis, as well as the operations of the Casino. The value of these donated services is not measured, and, as such, is not reflected in the financial statements.

Donors' Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

INCOME TAX STATUS

The Organization is exempt from Federal income tax (except taxes on unrelated business income, if any) under Section 501(c)(3) of the Internal Revenue Code. The Organization has been further classified as a "Private Foundation" under Internal Revenue Code Section 509(a). The Code imposes an excise tax of 2% on net investment income on private foundations.

The Organization performed an evaluation of uncertain tax positions for the year ended December 31, 2013 and determined that there were no matters that would require recognition in the financial statements or which may have any effect on its tax-exempt status. As of December 31, 2013, the statute of limitations for tax years 2011 and later remains open with the U.S. federal jurisdiction or the state in which the Organization files tax returns. It is the Organization's policy to recognize interest and penalties related to uncertain tax positions, if any, in income tax expense.

COMMITMENTS AND CONTINGENCIES

Pursuant to the community benefits agreement between the Casino and the Organization, the Casino agreed to contribute funds to the Organization once per year starting at the beginning of construction in 2009 and at each subsequent one year anniversary according to the following schedule:

2009	Pre-opening period	$ 175,000
2010	Post-Opening-Phase 1 in Progress	500,000
2011	Post-Opening-Phase 1 in Progress	500,000
2012	Post-Opening-Phase 1 in Progress	500,000
2013	Post-Opening-Phase 1 in Progress	500,000
2014	Post-Opening-Phase 1 in Progress (Est.)	500,000
2015 to 2026	Post-Phase 1 Opening, per year	1,000,000

In the event that the Casino operations are suspended subsequent to commencement, the annual post-opening contribution will be reduced pro-rata by the number of days that the Casino was closed as a ratio of 365 days per year. Beginning with the third annual contribution, a Post-Opening Phase 1 in Progress, receipts will be adjusted upward based on the lowest of the Consumer Price Index at the time, the percentage of increase in gaming revenue for the prior year or five percent. But, in no event will the annual sum exceed $1,500,000. Since Phase 1 is not yet completed, the estimated amounts above will convert to actual amounts of $1,000,000 each, for the calendar year starting on the first day of the year following completion. As long as Sugarhouse, or any assignee, continues to maintain or operate a gaming facility at the Sugarhouse site or contiguous property, subject to other contractual and compliance obligations to the City of Philadelphia, the Commonwealth of PA and the PGCB, then Sugarhouse or any assignee has a continuous right to use the site.

CONCENTRATION OF CREDIT RISK ARISING FROM CASH DEPOSITS IN EXCESS OF INSURED LIMITS

The Organization maintains its cash balances in one financial institution. This account is insured by the Federal Deposit Insurance Corporation (FDIC). Interest bearing and non-interest bearing accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. As of December 31, 2013, the uninsured balance was $189,016.

CONCENTRATIONS

The Organization supports its mission with the assistance of the Sugarhouse Casino Development, located on Delaware Avenue in Philadelphia. The total amount received from the Casino for the year ended December 31, 2013 was $500,000.

SUBSEQUENT EVENTS

Management has evaluated subsequent events through July 1, 2014, the date the financial statements were available to be issued.